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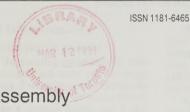




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Monday 11 February 1991

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Comité permanent des budgets des dépenses

Budget des dépenses, ministère de l'Energie

Chair: Cameron Jackson Clerk: Franco Carrozza Président : Cameron Jackson Greffier : Franco Carrozza

## **Table of Contents**

Table of Contents for proceedings reported in this issue appears at the back, together with a list of committee members and other members taking part.

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### Table des matières

La table des matières des séances rapportées dans ce numéro se trouve à l'arrière de ce fascicule, ainsi qu'une liste des membres du comité et des autres députés ayant participé.

Il existe un index cumulatif des numéros précédents. Les renseignements qu'il contient sont à votre disposition par téléphone auprès des employés de l'index du Journal des débats au (416) 965-2159.

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# LEGISLATIVE ASSEMBLY OF ONTARIO

### STANDING COMMITTEE ON ESTIMATES

# Monday 11 February 1991

The committee met at 1302 in room 228.

### ESTIMATES, MINISTRY OF ENERGY

The Chair: This is the standing committee on estimates for the 1990-91 estimates and today we will begin with the Ministry of Energy. I am pleased to welcome the Minister of Energy (Mrs Carter). Before we proceed I will briefly indicate that I see a quorum before me. I also would like to say that since we are time-sensitive—we have a total of only seven hours to do the Ministry of Energy—we will proceed now, and the clock is running and we will finish today at 6.

I have a personal matter that I should set out for the record. In my capacity as Chairman I hold a position of neutrality, but two of the six estimates are in areas of responsibility that I have as a critic. It is my intention to remove myself from the Chair and sit in the chair of the critic for my party, and so I would like to do that without any explanation. Unless there are any questions, that is how I propose to proceed in case there are any questions about how the Chair acts. At that point the Vice-Chair, if she is present, will be asked to Chair those two estimates—the Ministry of Community and Social Services and the Office Responsible for Senior Citizens Affairs.

Mr McGuinty: Mr. Chair, tell me generally, what are we going to do in terms of procedure here today? The Minister will address us initially. Is there a time limit? Those kinds of things.

The Chair: The precedents and the standing orders combine to suggest that the minister would speak first for a half-hour, followed by the official opposition critic or designate for approximately half an hour and then the third party will follow with its approximately half an hour, and they may use it any way they wish. Then the half-hour following, the minister would respond to questions raised, or it is generally referred to as summary comments. The minister would respond in whatever fashion she saw fit. Then we will proceed approximately after the second full hour to follow the vote structure as set out in the estimates book. There being no further questions I would ask the minister—

Ms Haslam: I missed it. Would you go through it once more, please?

The Chair: The minister takes one half-hour. The official opposition takes one half-hour. The third party takes a half-hour. Then the government responds through the minister for the final half-hour segment. That is the tradition and the standing orders set out that suggested format.

Then I will proceed. Again as I say, we are time-sensitive. Welcome, Minister. Thank you for being here, and thank you to your staff. Would you please introduce for purposes of Hansard those members of your ministry who have accompanied you today and then the floor is yours.

Hon Mrs Carter: Good afternoon. I am pleased to have this opportunity to comment on the Ministry of Energy's estimates. Marc Eliesen, my deputy minister, and Sean Meagher, my legislative assistant, are assisting me, as you see. We have a lot of ministry representatives here but we will introduce those later.

As you know, energy is a tremendously complex subject. It would be difficult to overestimate its importance to the social, economic and environmental fabric of Ontario. There is a lot to talk about, but since we have limited time available I have chosen to confine my remarks to two main areas.

First, I want to outline the government's new energy directions and discuss the rationale that underlies them. In this context I will also be making some comments about the security of Ontario's energy supply and about some of the benefits we expect to see from the energy path we have chosen for Ontario.

The second area I want to discuss is the strong emphasis the government has placed on energy efficiency and conservation. This policy is central to the government's new energy directions and I want to describe for the committee some of the social, economic and environmental benefits this policy will have for the people of Ontario.

With that general orientation, I will begin my remarks by looking at our government's new directions for energy in Ontario.

An important part of the Ministry of Energy's mandate is to ensure that the people of Ontario have access to secure supplies of affordable energy. By extension that makes energy security one of the fundamental responsibilities of the provincial government.

In our government's view, Ontario's traditional approach to meeting the rising demand for energy has been decidedly one-dimensional, because it is focused almost exclusively on adding new supplies.

In the past, growing demand for energy was seen as one of the indicators of a vibrant provincial economy, almost as something we should be proud of. Ontario's increasing appetite for energy was perceived as a given, not as something you could limit or control. The only question ever asked was, how can we meet our society's growing demand for energy. As long as energy supplies were relatively inexpensive and readily available, the simplest answer to the supply question was always to buy more energy or build more generating stations.

In today's environment this approach appears to have been short-sighted, even imprudent. Left unchanged, an open-ended approach to energy supply could have been ruinous for Ontario's economy because of the mounting capital costs it would have imposed.

Today we recognize that what we should have done long ago was to begin investing in energy efficiency, in sensible measures that would slow the growth in demand. In fact while we were looking for ways to add energy supplies we should also have been looking for ways to use energy much more efficiently.

1310

Ontario is currently one of the most energy-intensive societies in the industrialized world. We use nearly 10% more energy per person than the United States and almost twice as much as some European countries. This high rate of energy consumption per unit of economic output is not something we should be proud of, nor is it something we can afford. If it remains unaltered, intensive energy use has the potential to hurt our economy and inflict further damage on our environment.

In the 1970s the industrialized world experienced two major energy price shocks. These events led to significant changes in the patterns of energy use among other industrialized societies. Ontario's high rate of per capita consumption improved, but not as quickly and not as much as most of our competitors.

In the early 1980s the world experienced a major economic recession and we are now going through another one. During these economic downturns, economies that have learned to use energy efficiently perform better. Our government's goal is to accelerate energy efficiency improvements in Ontario to enhance economic performance during good times and bad.

There is another very pressing reason to adopt energy efficiency. Ontario's current energy consumption rates are not environmentally sustainable. We live at a time when the environment is under tremendous stress all around the world. In Ontario, we have an obligation to do as much as we can to reduce that stress. We all want a healthy, prosperous economy and we all want a cleaner environment. Reducing our high growth rates in energy use can take us a long way towards achieving those goals.

Our government is committed to promoting a change in attitudes to energy across the province. The first thing we must do is to help people and businesses in Ontario become more aware of the economic and environmental consequences of their energy choices. Ultimately Ontario must begin to move in new energy directions, away from the supply-side thinking that this characterized our past and towards the goals of efficient use and demand restraint.

I want to stress here that we are talking about practising greater innovation and ingenuity in energy matters, about becoming smarter energy users. We are not talking about some kind of puritan, belt-tightening exercise. We are talking about discovering ways to do more while using less. And let's be very clear about the fact that there are good, sound economic and environmental reasons for adopting this approach to energy in Ontario.

Over the past two decades we have spent more than \$27 billion on nuclear plants alone. The estimated cost of a new nuclear station is \$23 billion. The money for these large facilities has to be borrowed and the debt takes several decades to be retired. We have already passed on to future generations the unknown costs of safely disposing of the spent nuclear fuel that gives us power today. Is it not

time we asked ourselves how large a mortgage we want to put on Ontario's energy future?

The government's new energy directions are designed to ensure that Ontario has a range of safe, responsible energy alternatives. Fundamental to those alteratives is a commitment to increasing energy efficiency in Ontario and to encouraging the implementation of energy conservation measures wherever they make sense. We want to make Ontario a truly energy-efficient society, indeed, one that is efficient and competitive in all respects.

The previous government made some commitments to supporting energy efficiency and some progress was made in this direction. But the present government, both on its own and through Ontario Hydro, is pursuing the most comprehensive energy conservation and efficiency program in North America, and we are committed to getting significant results.

As I indicated, managing energy demand instead of simply feeding it offers many benefits for Ontario. One of these benefits is enhanced energy security. In effect, reducing demand adds to the available energy supply. But the costs of energy reduction measures are considerably lower than the costs of building new facilities.

And economic costs are not the only factor. Producing and consuming new energy supplies adds to our existing environmental burden. Reducing our energy needs, on the other hand, offers tremendous environmental benefits.

Changing Ontario's energy directions will require a concerted effort throughout our whole society, and the government must do its share.

I am pleased with the direction of the ministry's existing programs to promote energy efficiency and conservation. In the coming months we will be looking carefully at where we can introduce new or expanded initiatives, programs to encourage significant reductions in energy use right across the board, in transportation, industry, commercial and institutional buildings, and in the home.

We have already introduced measures to put the government's own house in order. Last December I announced that Ontario Hydro will conduct power-saver energy audits on more than 7,000 government buildings over the next five years. These audits will show us where we can make the greatest energy efficiency gains, and where to implement retrofits and other improvements to government buildings and operations. This program will help to reduce the amount of energy used to operate government buildings. It will enhance the government's cost-effectiveness, and reduce the environmental impact of the energy we use. But making energy efficiency improvements in government will also provide leadership, by setting an example for people and businesses throughout the province.

Another way in which government can show leadership is by enacting appropriate legislation. As I indicated earlier, our government is moving forward to develop regulations for energy efficiency standards in household appliances and other energy-using products. These regulations are being developed in consultation with industry to maximize their potential economic benefits for Ontario. The goal of these regulations and other new measures is to help achieve major reductions in the use of all major forms of energy—oil, natural gas and electricity. At the same time we hope to be able to kick-start a whole range of new business and manufacturing opportunities that are related to energy efficiency and conservation.

As we make progress towards our goal of an energy-efficient society, I believe we will discover many untapped sources that can strengthen Ontario's economy. As new markets for energy-efficient products open up, enterprising businesses will have opportunities to manufacture new products and provide new services, and to create thousands of new jobs throughout the economy in all regions of the province.

In many ways, becoming an energy-efficient society involves significant challenges for Ontario, but we must remember that it will also bring many new opportunities. To the extent that our industries and manufacturers can reposition themselves and their products and take advantage of these opportunities, their competitiveness will be enhanced in markets all around the industrialized world.

Here in Ontario electricity has always been special because it is the only major form of energy we produce ourselves. The government's commitment to energy efficiency and conservation includes a number of new directions in electricity demand and supply.

### 1320

Ontario Hydro will continue to play a fundamental role in helping the government carry out its plans for meeting Ontario's electricity needs. We are committed to the concept of public power, produced by an effective and accountable public utility. We support Ontario Hydro as one of the world's leading public power producers. That support, as I told the Legislature soon after my appointment, extends to Hydro's present management and to its president and CEO, Bob Franklin, who will be joining me here later this afternoon to answer any questions you would like to raise.

I want to say a few words at this point about one of the government's most-discussed new energy policies, and that is our approach to the issue of nuclear power.

As the committee is aware, the speech from the throne called for an immediate moratorium on spending for new nuclear facilities for Ontario. The moratorium means that Ontario Hydro will not spend \$240 million on developing new nuclear stations. Instead, Hydro will redirect that money to electricity conservation programs.

Hydro will reassign the engineers who were to be involved in the development of new nuclear facilities, and the utility has renegotiated its contract with the federal government and Atomic Energy of Canada Ltd to ensure that its funding is used only for maintenance and improved safety at existing nuclear stations.

Work on the Darlington station will continue and the plant will be finished. This is a sensible and responsible course of action, since more than \$10 billion has been spent on the facility and it is very close to completion. When Darlington begins full production it will add an additional 3,600 megawatts to the system. At that point,

some time next year, about 60% of Ontario's electricity supplies will come from nuclear power.

Some people have criticized the government's moratorium on spending for new nuclear facilities on the basis that it could threaten the province's energy security. Frankly, this is nonsense. The truth is that our new energy directions will ensure that Ontario continues to have access to adequate supplies of secure, reasonably priced electricity, supplies that will be provided in an environmentally responsible manner.

On the supply side, the government has called on Ontario Hydro to give priority to early environmental assessments of new and existing hydroelectric projects. These developments could bring an additional 2,000 megawatts into the power grid. Hydro has also contracted to purchase an additional 1,000 megawatts of electricity from Manitoba. We have asked the utility to undertake an early environmental assessment of the new transmission facilities that will be required to carry these additional supplies.

The government has also decided that the Environmental Assessment Board hearings on Hydro's 25-year demand-supply plan should continue. The hearings provide an opportunity for an independent public evaluation of the economic, social and environmental aspects of all options for supplying Ontario's future electricity needs.

The measures I have outlined will ensure that Ontario's near-term electricity needs are met. To strengthen the provincial outlook even further, the government has also asked Ontario Hydro to give more emphasis in two areas: the development of parallel generation facilities and the expansion of demand management programs.

With respect to parallel generation, our policy is not to develop these facilities at any cost. Rather, we want to take advantage of all the opportunities that are economically and environmentally appropriate. Substantial progress has already been made in this area. For example, Centra Gas and Boise Cascade are working together on a 100-megawatt cogeneration facility in Fort Frances. Northland Power is building another 100-megawatt plant in Kirkland Lake. This facility will be partly fuelled by waste wood. At Ottawa's Health Sciences Centre, Transalta is using state-of-the-art cogeneration technology to build a new 65-megawatt facility. Construction of a new, 100-megawatt cogeneration plant is also under way at McDonnell Douglas in Toronto.

In addition to these large facilities, the government believes there are many small hydraulic projects that can be developed economically and with minimum impact on the environment. In fact, some of these sites are so small that they might be overlooked by Ontario Hydro. It may be that many of them can be best developed by small producers.

In all, Hydro has received proposals for about 6,000 megawatts of non-utility generation. The utility's demand-supply plans originally called for developing just over 1,600 megawatts of this by the year 2000. Hydro has now raised its target to about 2,100 megawatts. We think much more can be done and we have asked Hydro to greatly increase its efforts in this area.

Hydro has also estimated that it can achieve between 5,000 and 6,000 megawatts of demand reduction potential.

The utility was planning to achieve 2,000 megawatts of this by the turn of the century. Here again, the government believes Hydro can do much better and we have asked for greatly increased efforts.

The government's new energy directions will have many benefits for Ontario. Our initiatives will increase energy efficiency, develop hydroelectric and parallel generation potential that is economically and environmentally appropriate, and pursue demand management in a very aggressive way. These measures can be accomplished relatively quickly and they are both prudent and responsible.

In recent months, demand for all forms of energy and for electricity in particular has slowed considerably. In part, this slowdown is related to the recession. But it also reflects some initial savings from Ontario Hydro's conservation and demand management programs. The slowing of demand offers us a breathing space, an opportunity to see what conservation and demand management can really accomplish. Our government is determined to take advantage

of that opportunity.

I would now like to discuss some of the environmental reasons that underlie the government's new energy directions. There is no doubt, of course, that adequate energy supplies rank high among the necessities of life in Ontario. But just as certainly as it supports life, the energy we produce and use also damages the environment that sustains us. Supplying and using energy resources, in all forms, means making some environmental tradeoffs. The key is to minimize the environmental impacts of energy and to reduce its impact in areas where it is causing significant problems.

The environmental crisis we face is not limited to Ontario. Indeed, the problems are global. Nevertheless, addressing the environmental impact of energy is the responsibility of all societies and individuals. In part then, reducing energy's impact on the environment is a matter of conscience. But, as I have already indicated, the goal of an energy-efficient society is not one that should be pursued in isolation. It also serves other, very important social ends.

One of these ends is a healthy, prosperous and competitive provincial economy, an economy that provides jobs and a high rate of secure employment. At the end of the day, it is the strength of our economy that will determine whether Ontario succeeds as a caring and decent society.

The other important end we can achieve by targeting energy efficiency and conservation is a healthy environment, an environment that benefits and sustains our people both today and in the future.

1330

The economic arguments for adopting energy efficiency are well established and will continue to be relevant throughout the coming years. But, as we move through the 1990s, the environmental reasons for becoming an energy-efficient society will become increasingly compelling.

One of the most important areas we must address is the public's lack of awareness that individual energy choices have tremendous environmental implications. Most people are very concerned about the environment and they want to do what they can to help. But many people have not yet

made the link between their energy use and its impact on the environment. The government has a responsibility to provide leadership by helping to make all members of society aware of this connection. When they know, I believe they will act wisely.

Just look at what happened when Ontario Hydro began promoting energy-efficient compact fluorescent lightbulbs for use in the home. The units cost a lot more than ordinary incandescent bulbs, but people quickly understood that they could get their money back through energy savings and also help the environment. Those lightbulbs sold out faster than the manufacturers could produce them. To me, this is one indication that the people of Ontario are ready, perhaps even anxious, for new energy directions, and our government's initiatives will point the way.

People need to know that their cars put out the equivalent of their own body weight in carbon dioxide, which leads to global warming, every 300 kilometres. They need to know about the energy-saving techniques and technologies that are available to them right now.

In the near term, what we are talking about is the widespread adoption of practical attitudes and existing technologies: public transit and car pooling; alternative transportation fuels; efficient domestic appliances; setback thermostats; light dimmers and automatic timers; and a whole range of existing techniques and technologies that can dramatically reduce energy demand in all sectors.

As I have said, the government has a major leadership role to play in helping people to make these connections and to encourage the adoption of energy-efficient attitudes. I also believe that, once we have built a strong public awareness about the economic and environmental implications of energy supply and use, people will change their attitudes to energy.

My ministry is taking the lead role in the government's promotion of energy efficiency. We will carry the message to all sectors of Ontario's economy and to every energy consumer. We will use our budget allocation strategically to create awareness, encourage change, remove market barriers and measure success. I emphasize the word "strategically" here, because the ministry alone does not have the human or financial resources to achieve the social goals we have set. Achieving those goals will require commitment and action from across the whole social spectrum.

My ministry can accomplish a lot by acting as a facilitator, as a catalyst, and by demonstrating energy leadership. In the coming months, we will be expanding our range of programs for business, consumers and industry. As I mentioned earlier, we will also be adding new regulations under the Energy Efficiency Act.

We will continue to work closely with other government ministries, like Housing, Transportation, Government Services, Environment, Municipal Affairs and Industry, Trade and Technology, to ensure all provincial government organizations are practising responsible energy use and to help them contribute, through their own mandates, to furthering the government's new energy directions.

I am pleased that we have already begun to act in this area. I have already mentioned the power-saver energy

audits which Ontario Hydro will conduct in all government buildings over the next several years.

As well, my colleague the Minister of Transportation recently announced a \$5-billion commitment to energy-efficient transportation in Ontario, a commitment that supports the increased use of mass transit, such as subways, LRTs, busways and ride-sharing. This transportation initiative will result in major energy savings. It will also contribute to significant reductions in harmful, environmental emissions throughout the province.

I want to point out here that a number of our new energy directions represent significant economic development opportunities for aboriginal and northern people. The potential includes employment, skills training and business development, as well as the possibility for partnerships or ownership of some non-utility generation projects. In addition to the potential for new developments, Ontario Hydro's ongoing activities can also have a significant impact on and many benefits for the people and the economy of the north. I want to make two points about these opportunities.

First, the government is committed to ensuring that northern and aboriginal communities are consulted about any proposed energy developments that might affect them. Second, the government is committed to ensuring that northern residents benefit from Ontario Hydro's ongoing activities as well as from any proposed energy developments that receive environmental approval.

I have focused my remarks today on two main areas: the government's new energy directions and the fundamental economic and environmental reasons that underlie them. I have chosen not to focus on the ministry's 1990-91 spending, as most projects were well under way when I was appointed.

As I bring my prepared remarks to a close, it might be useful to re-emphasize one of our government's basic principles about energy. This is that Ontario's high rate of energy consumption, and with it the attitudes that individual energy consumers and organizations across the province bring to energy, must change. As the old attitudes change, new approaches to energy will replace them. Today, we are all becoming more aware of the close relationship between Ontario's energy use, the economy and the environment. These connections are likely to become even more apparent in the future.

In the coming era, one of our most significant challenges will be to discover how to create high-quality jobs and rising incomes in ways that are compatible with prudent, efficient and sustainable energy use. We must change the emphasis from energy supply to the provision of energy services in the most efficient possible way.

Technology, innovation and individual commitment will play important roles in helping Ontario meet this energy challenge. So will government leadership. My commitment is to ensure that the Ministry of Energy's policies and programs help lead the way. I believe we have the capacity to meet the challenge successfully and that together we can transform Ontario into a truly sustainable society.

**The Chair:** Thank you very much, Minister. I would now like to recognize and call upon the spokesperson for the official opposition, the Liberal Party. Mr McGuinty, are you prepared to proceed?

Mr McGuinty: Yes, thank you, Mr Chair. May I begin by seconding your welcome to the minister. I think I can say that the tasks and the challenges ahead of you are somewhat formidable. They are daunting, but I do not believe they are insurmountable. I want to offer you my encouragement and my support, at least in spirit.

I also want to take the opportunity, in light of the fact that so many members of your staff are here, to offer them my encouragement as well. In many ways, they are the unsung heroes. Governments rise and fall, politicians come and go, and even political parties, but the civil service is always there lending guidance and support and they are the ones who implement our policies. I want to thank them for their ongoing work.

#### 1340

You know, Minister, you have a special responsibility as a member of the government, as distinct from my special responsibility as a member of the opposition. Someone once said that no man is a ready critic of his own measures. A government has it within its power to do things harmful for the province as well as things that are good for the province. I am sure you will do things which are good for the province, but I am equally certain that you will do nothing perfectly. My job is to bring to light of day those imperfections, those shortcomings, and to make them the subject of public debate. Some members of the government, I think, see the opposition as a brake on a car going uphill. From my perspective, we often see ourselves as a brake on a car going downhill. In any event, I have confidence in our process of criticism, answering countercriticism, a process which, although it is not perfect, is intrinsic to our democratic process.

The first thing I want to look at in some detail is the context within which the government assumed power. I think that is crucial, to understand that when a government takes power it does not do so in any kind of abstract void; it enters with some baggage, if I might put it that way. And that has to do with promises. A particular promise I want to address is the NDP promise to phase out existing nuclear reactors, and it also supported no new nuclear reactors.

The challenges before us, as you have outlined very aptly in your presentation, to meet the future energy needs of Ontario are indeed formidable, The issues that arise are complex. The concerns are no longer simply economic, but as well they are social and environmental in nature.

In addressing the question of future energy needs, I think it is crucial that we establish a framework. In order to do so, I would suggest that there are three objectives we ought to meet. First of all, we ought to draw upon the best expertise available. Second, we ought not to allow our thinking to be clouded with preconceptions. Third, we ought not to allow our thinking to be coloured by emotion. I am confident that those three objectives will be met, and

ably so, in the form of the environmental assessment hearing which is treating Hydro's demand-supply plan.

In short, any approach we bring to such a crucial question must be completely objective. That is why, viewed in that light, the NDP promise to phase out nuclear reactors, to prohibit the construction of new nuclear facilities, is so unfortunate, because it introduces an element of subjectivity, and that is in a matter where subjectivity is a luxury we simply, to my mind, cannot afford.

If we are to maintain a reliable supply of electricity in the province, if we are to meet the needs of the residential, industrial and commercial sectors, if we are to maintain the quality of life we have come to enjoy in the province, if we are to give our full objective consideration to the means available to meet future electricity needs and the costs, economic, social and environmental, which are inherent in any particular means, in short, if we are to do justice to the task before us, then we cannot afford the luxury of dismissing outright any particular means of electricity production.

That is why the campaign promise is so unfortunate, from the aspect of the environmental assessment hearing. Of course, the promise brings into question the purpose of a full and partial review. The fulfilment of the promise would require, assuming that the environmental assessment hearing were to endorse a plan which contains a nuclear component, that your government override that approval.

I do not envy your predicament, particularly in the context of an all-time high of cynicism among the electorate of Ontario. It may very well prove to be that your options will be to break that promise or to override the environmental assessment approval of a nuclear component.

You addressed the matter of conservation and efficiency throughout your presentation. That is certainly a worthwhile objective in order to reduce our demand. However, what I am looking for, now that we have established an objective, are specific targets. I am looking for plans, I am looking for mechanisms which would monitor our success in achieving targets and, most important, I am looking for a backup plan in the event we are unable to meet those targets.

Conservation and efficiency are wonderful concepts in the abstract, but we need something concrete to comfort us, and I have seen very little of that to date. The primary concern I have, of course, is what happens if we do not succeed, and where the monitoring mechanism is to tell us how we are proceeding in that vein at this time, and how we distinguish between benefits which are accruing as a result of the ongoing recession and benefits which are accruing as a result of new programs.

I might make reference to some of the programs which are ongoing, which were implemented originally by the former government, lest the committee be left with the impression that somehow this is a radical development in terms of thinking in Ontario. The former government had a number of initiatives implemented in order to meet the goals of energy conservation efficiency. We established the Energy Efficiency Act. There was the improvement of the government fleet average fuel economy. There were

amendments to the Power Corporation Act to make Hydro more responsive to public priorities, including conservation and parallel generation. We released a parallel generation policy statement. We implemented a requirement that Ontario Hydro submit a conservation plan: 3,500 megawatts by the year 2000.

We strengthened provisions in the Ontario Building Code, and there were future proposals for the next revision round. There were conservation programs implemented, like municipal building and street lighting efficiency, the industrial energy service program, EnerSearch, and the commercial building energy management program. Parallel generation programs were implemented, like the wood energy program, and the cogeneration encouragement program. There were increases in Hydro's buyback rate implemented. There was an end to Hydro advertising for space heating and the establishment of incentive conservation programs, for instance, Loblaws' lightbulb program.

Intrinsic to this process, of course, was the development of the environmental assessment and intervenor funding.

I think we would be remiss if we did not acknowledge or recognize that what you are doing is carrying out, to a large degree, policies which were developed by the former government.

I do not want to say anything further at this point. Certainly my objective here is to hear more from you, Minister, so I will end on that note.

The Chair: Are you passing the floor to the other party or did you wish to use up—

Mr McGuinty: If we have time remaining, I would like to permit another member from the opposition to speak in the remaining time.

The Chair: That member is Mrs McLeod. Proceed. 1350

Mrs McLeod: I appreciate our critic leaving a few moments for me to add one or two words, recognizing the fact that I am in a somewhat unique position in approaching this set of estimates. I can assure you, Minister, that there is both a certain freedom and a certain frustration in approaching the Energy estimates from my position rather than yours this afternoon.

I want in essence to second what our critic has already acknowledged, that is, that while in your remarks you indicate that you are not focusing on the 1990-91 estimates but wanting to look towards the future, in fact, I think without exception, all the positive initiatives you have highlighted are initiatives which you are carrying forward from the previous government. They were initiatives which I had the opportunity and the pleasure of supporting and in some cases enhancing during my brief tenure as minister, and I am pleased indeed to see your continued support for those positive initiatives. I was convinced at the time that we were on the right track and that we were making a significant difference to the energy requirements and the energy security of Ontario.

I cannot help but add an aside, that it is a generally held feeling in our caucus, of course, that your government

is at its best when it is continuing our government's initiatives.

There are two aspects of your statement which I would not have been concurring with, would not have been stating had I been the minister presenting these estimates rather than one of the members of the opposition expressing concerns about the estimates and, in fact, the way in which the estimates reflect the directions of your ministry. One in particular is the area our critic has already acknowledged, a concern that in your statement you seem to dismiss as nonsense the concerns that people have about energy security, specifically electricity security, in Ontario.

As our critic has noted, we have a great many questions which we will come back to in a very specific way during the estimates process: Just what is the new energy direction of your government? What are your targets? What are your goals? What research do you have to back up the targets, the goals? How do these compare to other jurisdictions? What evidence do you have of successful achievement of these goals, either in this jurisdiction or in other jurisdictions?

I think it is only fair to say that in an issue as important as this it simply is not sufficient to dismiss the concerns as nonsense. There must be some evidence, some basis for being able to make a bald statement that new energy directions will ensure that Ontario continues to have access to adequate supplies of secure and reasonably priced energy, electricity.

A second area which you will find we are coming back to in our questions is the issue of the government's relationship with Ontario Hydro. I think it is perhaps possible to say that Balance of Power is not just the name of the DSP that Ontario Hydro has presented, it is also a reality of the governance structures which determine our electricity supplies and in fact our energy supplies in Ontario. As our critic has noted, objectivity is one of the reasons those governance structures have been created. Being very familiar with the Power Corporation Act and why it was written the way it is written, I will want to attempt in our questions to reconcile what I believe to be inconsistencies in some of the statements you have made about the government's relationship with Ontario Hydro.

We will look forward to the estimates process and to making much more specific some of the opening state-

ments which you have made.

Mr Jordan: I, too, would like to thank the minister and her assistants for coming this afternoon to put forward

her presentation on energy for the province.

do not plan to repeat the comments of the official opposition. I thoroughly agree with those comments. I find it strange, though, that they too, to a point, did oppose nuclear energy. It was only in May 1990, I believe, that they conceded to have the studies continue for further development.

Minister, I find it difficult and have found it difficult in the House to try, as politely as I knew how, to get a policy from you for the provision of energy for the province. I plan to repeat today my concern in that regard, because the Canadian Manufacturers' Association, the industrialists, are all writing me and expressing concern that they do not

know in what direction this government is taking Ontario

The programs you have mentioned are not new. In fact, some of them have been in place since 1967. As my colleagues ahead of me have mentioned, it is a very difficult thing to measure, because you are dealing with human beings. You can legislate and you can promote and you can advertise, but I ask you, Minister: How are you going to measure the reaction of the people to your so-called desire that this be the kind of province we would like to see? Are we going to tell the people to go back and have an electrical industry that only supplies an electrical service, or are we going to continue and have in Ontario what we like to refer to as an electrical industry?

I might at this time mention an open letter dated 20 November 1990. I would like to ask who received this letter. The one I have says "Dear Friend." To how many

people of Ontario did this letter go out?

The letter states that Ontario Hydro will do three things. They will stop spending \$240 million on developing nuclear stations and they will redirect that money to conservation programs. Ontario Hydro was already in a conservation program. How much of that money had already been spent?

The letter also stated that 100 engineers who were involved in the development of new facilities would be redirected to conservation. Have those 100 engineers been directed to conservation, and what possible role would 100 engineers play in the type of conservation program you have been laying before the Legislature?

It also instructed Hydro to renegotiate the contract with the federal government to ensure that Hydro funding is used only for maintenance. What is the value of both the old and new contracts between Ontario Hydro and the

Atomic Energy of Canada?

My problem is that with a lot of the points made in your presentation neither I nor, I think, very many citizens of the province would disagree, because we are all interested in conservation, we are interested in efficiency, and we are certainly interested in developing any suitable hydraulic site or other means of generation. But the point still comes to the fore: How do you plan to replace that percentage of the base supply for Ontario Hydro that is now supplied by nuclear energy? The other question is: Do we really want to kill nuclear energy, not only in the province of Ontario but in Canada?

I have great difficulty accepting the so-called reasoning put forward for us as residents of Ontario to have fear, to actually be afraid, of nuclear energy. It has proven to be the cleanest form relative to the environment of any of the energies we are now using, outside of hydraulic, for the generation of electricity. Its storage of the waste-that facility is almost complete. It is only subject now to the environmental assessment and the federal government as to the approval of the storage.

So it really concerns me that you can generate enough emotion among the electorate without having to put forward some actual facts as to what these statements are based on. I think in the interests of keeping Ontario the

leading province in manufacturing, in industry, Ontario Hydro was one of the main reasons that Ontario developed. We had an abundant supply of reasonable-cost electrical energy. The manufacturers, the industrialists, they all recognized this, and now we have them moving out of the province because they do not have confidence in the present administration.

If I may read an article here: "One major Ontario company, Abitibi-Price, stated that its last two paper mill machines had been established in Alabama and Georgia rather than Ontario. These developments, according to Linn Macdonald, executive vice-president, paper group, represent the loss to Ontario of about 300 skilled jobs. One of the major reasons for this location...was the future shortfall in available electrical energy supply in Ontario. Two other unidentified companies dropped plans this year to build in Ontario for the same reason."

Again, I come back to trying to fill the void through efficiency and conservation, because we are not dealing with buildings, we are not dealing with furniture. We are dealing with human beings, and human beings do not react in a measurable way to regulations that you want to put forward and assume that you are going to save X megawatts on that basis.

So I think as a government, Minister, you do have the responsibility to somehow come up with a solid figure of the amount that is going to be either generated through cogeneration or saved through conservation and put it down, relative to the growth of the province of Ontario and relative to the sustained growth, enough to instil confidence in the manufacturers and the people of Ontario that they are going to continue to expand and build new plants here and progress as the province has done, together with Ontario Hydro, through its complete history.

I might mention that Ontario Hydro is recognized as having one of the best research divisions of any North American utility. And I can say to you this afternoon that Ontario Hydro has very conscientiously looked into all aspects regarding the environment, regarding conservation, efficiency, and has been doing so, as far as I am told, since approximately 1967. It has been a joint effort with the manufacturer, with the contractor, with the builder. In fact, in 1967 Ontario Hydro progressed to the point that it was able to supervise the construction of a residential building to the point, if it was not heated electrically, if it was heated by a fossil fuel, you in fact had to have a fresh air intake in order to provide the extra oxygen. The infiltration and the leakage of air had been cut down in the building at that time to that extent and the reason for that was, Ontario Hydro at that time wanted its energy to be competitive with natural gas and oil as a heating fuel.

But the point I am making is that I get very nervous. All the things that you are saying, no one can differ with, except the fact that I do not have confidence in your policy that you in fact can, through conservation and efficiency, replace that base electrical energy, which is now up to 60% in Ontario, which is supplied by nuclear.

Ontario Hydro and Atomic Energy of Canada are not standing still; they are progressing with nuclear energy. It is becoming more safe, it is becoming more efficient, and it is coming to the point where it is costing less per kilowatt hour in capital expenditures.

I do not think I will go on any further at this time, but I do hope that through this committee I am able to get some reassurance of what a moratorium on nuclear energy means. The previous government had it on. They did not allow pre-engineering on the sites, until they changed their minds, I believe it was in May 1990, and came on side and saw it as a necessary capital expenditure to keep Ontario viable in manufacturing and industry.

As far as, again, your conservation and efficiency are concerned, I do not have an argument with it. My sole concern is that if I were in manufacturing or industry, I would not be comfortable starting in the province of Ontario depending on my energy from what was going to be saved by my neighbour or by some other means. Thank you very much.

The Chair: Thank you. Do you wish to use up any additional time at this point, Mr Jordan? You have more time if you wish, but if not, then we can proceed with the minister's response.

**Mr Jordan:** Would the minister entertain a question?

The Chair: If you wish to use some of your time to engage the minister in a dialogue, that would be permissible. It is your half-hour.

**Mr Jordan:** Perhaps the minister could advise, as to the 100 engineers who were reassigned, what they were reassigned to.

Hon Mrs Carter: Yes. I know and have known all along that there was in fact work for them to do. Mr Franklin made a commitment very early on that the people who would have been working on the work paid for by that \$240 million would not in fact be out of work. Some have gone to work on safety programs with nuclear reactors and on efficiency. If you want greater details on that, Mr Franklin will be here later on and I am sure he could give you those.

Mr Jordan: If the Environmental Assessment Board eventually approves a nuclear plant, would you as minister direct Ontario Hydro to renegotiate a contract with AECL which allows Hydro to contribute to the development of nuclear technology?

1410

Hon Mrs Carter: That is a hypothetical question and I am not going to give you a firm answer on that one. I think we shall all listen with great interest to what happens in the environmental assessment of the demand/supply plan hearings, and we will consider what happens at that time. By then, of course, we shall have had probably three years to see how our other policies have fared and what the situation as regards power is in this province.

**Mr Jordan:** Again then, what you are saying is that your moratorium on nuclear energy is dependent on the response of the people and the success of your conservation—

Hon Mrs Carter: I am saying that we shall listen very carefully to that response. I am also saying that the moratorium is open-ended and that we have no plans to discontinue it, as far as we know. But then that is something that will have to be thought about further in the future.

**Mr Jordan:** But may I say, Minister, that the reason your moratorium is open-ended is that you yourself have some real doubts about the success of filling the void with the methods put forward.

Hon Mrs Carter: But you see, I could turn that around and say that you can only see nuclear as the means to solve our problems.

Mr Jordan: No, I am sorry, I do not mean to give that impression. What I am saying is, as an individual and as a representative of the party, from the information available to us we have no reason to fear nuclear. Your group in a report here refers to the Hydro study as "nuclear nuts" or some expression like that. Well, really, some of the best research people available and some of the best scientists, not only in the Ontario government but in the federal government, have studied it and I think, rather than fear-mongering with the people, we should be trying to give them confidence in the fact that we have looked into all aspects of the nuclear as much as we can and we are going to continue to do so and that we should have faith, even to the point that you would concede that if your plan does not work, you would be agreeable to lift the moratorium and let nuclear fill the void so that we do not, in fact, have a shortage in Ontario.

Hon Mrs Carter: You are in a sense prejudging the outcome. I do not think there has been any fear-mongering. I am not aware that we have said anything in that way about nuclear power. One of the main reasons why we feel it should be discontinued, or at least suspended, is the financial aspect. I think if you looked at the Globe and Mail on Friday, you would have seen that Ontario Hydro is getting increasingly into financial problems as a result of having to pay for some of its past commitments in this respect. We have not been covering the real cost of power and this chicken is beginning to come home to roost.

Also, I would just point out that there are still problems related to nuclear power. For example, we have not solved the problem of making uranium mines safe or dealing with the tailings that result from that mining. We have not found satisfactory ways of disposing of the waste materials. And there is always the looming possibility of disaster, which may be a one-in-a-million chance, but we have seen from Chernobyl and even from Three Mile Island that things can happen which could not happen with other means of generating power. Now, I am not saying it is likely, but people are aware of that and when we put this moratorium policy into effect, we were in fact doing what we said we would do in our policies before the election, and that is what people who voted for us voted for.

**Mr Jordan:** Perhaps then you could tell me quickly, why is the moratorium open-ended?

Hon Mrs Carter: Why should it not be?

Mr Jordan: Why is it necessary that it is? That is my question.

Hon Mrs Carter: We are having a hearing, and if I said we were on no account going to build any more nu-

clear power stations regardless of what the hearing said, you would accuse me of prejudging the issue. So can it not be said that if we say we are going to build them, then we are prejudging the issue too?

Mr Jordan: I am sorry. You are misunderstanding my question. My question is that if I, in your shoes, have faith in my new form of supply of electrical energy for the province of Ontario, then I do have faith in it and I go forward with it and I do not need nuclear energy to supply the void.

Hon Mrs Carter: But why would I say that at this point, when the demands hearings are just coming up? I do not wish to prejudge it.

Mr Jordan: No, no. It has nothing to do with the hearings. You see, the hearings are not going to do anything that the government cannot say yes or no to.

Hon Mrs Carter: That is true.

Mr Jordan: And this is the concern. If I am committed that I can supply the province of Ontario through conservation and efficiency, cogeneration and development of small hydraulic sites, then I do not need nuclear energy. That is the question. But, you see, to be able to do that, you have to have some facts and figures to provide to industrialists so that they are comfortable with it. They are not comfortable with it. They are leaving Ontario, they are afraid to expand in Ontario, and I am saying to you this afternoon that you, as the government, have to come forward with something concrete for these people to feel comfortable here in the province.

The Chair: At this point in time we are into question and answer and I would not want it to move into a debate per se; otherwise I would be stretched to have a ruling. At this point, if we could proceed in the tone of a question and answer. But it is your time, Mr Jordan. I just wanted to make that point. You can proceed.

Hon Mrs Carter: What I am saying is that I do not want to prejudge either the results of the hearing or what is going to happen in the next few years. We are having a review. We think it is going to be very full and open, large numbers of people of all kinds are going to participate and there is no way we want to commit in any way to what the outcome is going to be.

Mr Jordan: I think in all fairness, what I am saying is, the lead time required to build a generating station can be 10 to 14 years, and if you are going to play a wait-and-see game to see if this is going to work and then we find ourselves in dire need, brownouts for the province of Ontario due to the fact the people did not respond—and I can honestly say to you, right here in our own building, I would like to know how many people in this room use a window to regulate the heat in their office.

Ms Haslam: Is that a question? Do you want an answer?

The Chair: I think it was a rhetorical question.

Hon Mrs Carter: That was a rhetorical question. It seems to me you have the same lead time in either case unless you prejudge the issue, because if you spent that \$240 million on preparing to build nuclear power stations,

you have prejudged the issue. Or you have not prejudged it any more than you say we are prejudging it, so I am not quite sure what your problem is.

Mr Jordan: I am not talking about the \$240 million. If you want to talk about that, I would like to know how much of it is left.

Hon Mrs Carter: Oh, most of it. Yes.

Mr Jordan: What is most of it?

Hon Mrs Carter: I forget the exact figure. I think some very small amount has been spent already, but I am sure Mr Franklin will be able to tell you that when he comes. I know it was a very small proportion.

Mr Jordan: I guess in closing then, you are not comfortable in saying that in the next 10 years we will not need another generating station.

**Ms Haslam:** Is this question period? If this is question period I am going to ask a supplementary.

The Chair: I think the Chair already described what the process is and I think Ms Haslam knows that, so unless you wish to be recognized, I ask you to go through the Chair. Mr Jordan, you were completing your statement.

Mr Jordan: Thank you, Mr Chairman.

The Chair: Mr Jordan has two minutes left of his 30-minute block.

Mrs Marland: May I use it?

The Chair: If you wish to use it, you may proceed.

Mrs Marland: I would like to use it. Through you, Mr Chairman, to the minister, a few moments ago, in discussing nuclear generation, you referred to Three Mile Island and Chernobyl as examples of what can happen with nuclear generation. I wonder if you could tell this committee what, if any, are the similarities between Three Mile Island and Chernobyl and the Candu reactors in Ontario.

Hon Mrs Carter: I cannot go into a technical discussion. I know that in some ways Candu reactors are different, but in a lot of ways they are not. I was just using this as an example. As you pointed out, Three Mile Island and Chernobyl were different examples. But I do not think it can be denied that there is the same long-odds chance that something could happen with the Candu reactor.

Mrs Marland: It is a very serious example that you give and you cannot give examples without knowing what it is you are saying. I say with respect, that you can look at anything and say there are long-odds chances. I think as Minister of Energy of this province you should know the difference between Chernobyl, Three Mile Island and the Candu reactor.

Hon Mrs Carter: I think I do, with respect. In each case, there are radioactive materials contained within the reactor and, if anything causes those to be released, then we have a disaster. So that basic situation is the same.

Mrs Marland: As minister you obviously do not know the basic inherent differences in the design, and it is the basic inherent differences in the design that are in fact a feature of the element of risk to which you refer. I am not a technocrat, yet I know the differences between those

three examples you have just given. I am simply saying to you as minister, if you are going to use examples, I would ask you to explain what the examples are and what the differences are. You cannot just make a blanket statement on something as critical as the provision of electricity in the future in this province in one mode of generation or another unless you know what those differences are.

Hon Mrs Carter: As I say, I have had expert information on these matters and I stand by what I have said. Now it may be that there are safeguards. I know that there is a vacuum containment building and the idea is that it would implode rather than explode. This does not totally remove any possibilities of problems. For example, you have got nuclear fuels stored in areas which are not within these domes. That is one example I can give you.

Mrs Marland: I would suggest with respect, Minister, that your staff could tell you what the Three Mile Island incident was and what the Chernobyl incident is. If you are going to argue, if you—

The Chair: I am going to ask the Vice-Chair of the committee if she will recognize my ruling, which is that that was your last question. Your time has expired. Thank you, Mr Jordan and Mrs Marland. I will now, in accordance with my previous clarifications, call upon the minister who has listened and even participated. Would you care to use your half-hour as you choose to respond?

Hon Mrs Carter: I would like to join Mr McGuinty in thanking the ministry staff. I am very well aware of the vast contribution they make to what we achieve. I certainly want to back up that statement.

I also agree with Mr McGuinty that we all make mistakes. I think my caucus would be the first people to agree with that. In fact, the Premier has on several occasions said there is nothing wrong with making a mistake now and again. The thing is to admit it when you do. We are all at least trying, and it seems we all agree on the social and environmental relevance of energy production. I do not think we have any disagreements on that.

I also agree with Mr McGuinty that we should draw on the best expertise available. I am sure we are doing that and I can say there that part of our policy is to make sure that all generating capacity is and transmission lines are maintained to the utmost degree, so that some of the money that might have gone on new developments will be spent on such things as retubing, making sure that reactors are working safely and, as I say, there is work in progress to upgrade the transmission lines, which apparently are beginning to show signs of age.

Nuclear phase-out—that is not quite a correct way of expressing what we are doing. We are not engaged in a nuclear phase-out. That was a policy that was happening in Sweden. We have said we will continue to operate the existing nuclear facilities and we will complete Darlington. We have no plans that I am aware of to phase out any of that capacity. That is a future option, just as many other things are future options, but it is not something that is at present what we are doing. What we are doing is simply what we have said. We have a moratorium on the development of further nuclear power stations and that is it.

As to blind adherence to ideology, I do not know that is called for. I think we are being as pragmatic and as scientific as anybody could be in this respect. We are looking at what is happening in other parts of the world. We are looking at scientific facts and studies that have been done and so on. We are not coming up with some fairy-tale scheme that will not hold water. We think we are being as practical as it is possible to be.

I think the basic problem with both your speeches, Mr Jordan's in particular, was that you just basically do not believe we are going to be able to manage without building further nuclear capacity, so maybe it would be pertinent for me to go over some of the ideas we have on that

score.

First of all, we have been accused of reducing the province to a danger of imminent brownouts. That is total nonsense. It is nonsense because our policies have made no difference whatsoever to the availability of power at this time and will not affect the availability for several years to come. New nuclear power stations will not come on stream for quite a long time, and unless the demand-supply hearings had been—unless work on power stations is being pursued in advance of the conclusions of that hearing, they are going to make no difference to the possible startup time. The decision would be made three years from now.

We do have more capacity coming on stream, because we are completing the Darlington stations. There are some problems with that as it happens, but nevertheless the potential is there and will hopefully be available within the next year or two. Because of the recession, as you pointed out, there has been a reduction in demand and it is impossible to tell how much of that is due to the recession. Probably most of it is, and I gather it is the first time since the Depression years of the 1930s that such a thing has happened. Some of it may be due to our conservation and efficiency efforts, and I certainly hope that it is and I hope that hydro usage will not be taken as a yardstick of how bad the recession is because of that factor that is included in those figures.

There is no immediate problem. The brownout that happened just over a year ago in December of 1989 was not to do with basic capacity. It was due to a combination of factors that just all came into play on that one occasion, like very cold weather, problems with oil supply at the backup station and the fact that a lot of the existing stations were undergoing repairs at that time.

This brings me to what I think is an important point: Why is it assumed that nuclear power is so reliable? Any problems that we have had recently with supply are due to the fact that nuclear power is turning out to be less reliable than had been hoped. Last year quite a large amount of power was imported from the United States to make up the fact we were rather short of power. This was due to the fact that we could not run our fossil-fired stations without possibly exceeding the limits on acid gas emissions, which have been quite rightly put into place to try and reduce acid rain. Those regulations are being tightened up gradually, which they should be, so that Hydro has to be aware of that.

1430

Because we did not want to exceed those limits, we brought in the power from the US, which of course was totally illogical because some of that power was being produced in the US by fossil fuels. But the problem was due to the fact that our nuclear power stations, which provide the base load as it were, were not functioning well. Now I believe some of those have been repaired. They are back on track and actually we have a fairly healthy margin of supply.

We have a whole arsenal of things that are going to make sure that our supply does not fall below demand, and I must emphasize that the main one of these is efficiency. People do not seem to understand that power saved is as real as power generated. It is not just as real, it is better, because it is cheaper and it does not cause any pollution and it cannot have any outages. It is totally reliable. If somebody does not need it, and we have reduced our demand, that is it. Actually, in some places in the US I believe negawatts are traded. People buy and sell saved electricity, just as you can buy and sell generated electricity. This is not some kind of phantom. It is real. If we can do things more efficiently, we do not need the same generating capacity.

We realize that some people will see this as a bit of a phantom and we are not exactly sure how much we can gain from efficiency. We think it is a lot because Canada uses energy inefficiently and that means there is a lot to be gained. But we do have other ideas. For example, there are quite a large number of hydraulic supply options available, and those are things that would be brought on as a priority if we feel that there is a need growing for more capacity.

The Adam Beck station is going to be refurbished and expanded, and I believe that is going to generate another 550 megawatts. There are several hydraulic supply options in northern Ontario, and what they are doing in regard to those is to speed up the environmental assessments so that if we need to build them, that hurdle will have been overcome and work can proceed without delay. We are also having the environmental assessment on the Manitoba transmission option, something which has already been signed between the Ontario government and the Manitoba government which would bring 1,000 megawatts on line. That would take a few years to bring on but we are in no immediate difficulty, and that is something that could come at least as soon and probably sooner than other nuclear stations.

We are also looking at parallel generation, which used to be called non-utility generation or NUG. This means generation which is sold to Ontario Hydro rather than being produced by it, and estimates of what can be produced by this means have been climbing steadily. Quite recently, Ontario Hydro was saying that by the year 2000 it would have 1,600 megawatts of this kind of generation. Now they are saying it will be 2,100 megawatts and there is no reason why this estimate should not continue to climb. A large amount of this power would be the result of cogeneration, which means that an industry which is using, probably, gas for an industrial process, uses that same fuel to heat steam and to generate electricity. In a sense you are

getting the use of that fuel twice, so you are achieving much greater efficiency. Obviously, you are saving money for the industry if it can gain a profit from selling it to Ontario Hydro.

There are already various places where this is happening, and I think I mentioned some of them in my initial remarks: Boise Cascade, Transalta is bringing on some ideas of this kind, and so on. This is very practical and solid and, as long as industry sees that it can get a reasonable return on this, this is something that is capable of considerable expansion. Also, as I believe we mentioned before, there are smaller hydro developments which can be pursued independently, ones which probably Hydro would not be concerned with, but added together they can produce a considerable amount of power, very often with very minimal environmental impacts.

So this is a kind of sketch of the things that are available. I think we have no reason to believe that in any foreseeable future these means of providing electric power are going to be inadequate. Meanwhile, further research and development is going on in the field of renewable

energy. There are all kinds of possibilities.

In the Ministry of Energy we get letters from all kinds of people. Some of them have quite complex ideas and projects and inventions and so on attached to them, which go to the staff and are evaluated. Some of them receive subsidies, some do not. But there are all kinds of possibilities out there for generating power in renewable ways, ways which have far less of an effect of polluting the environment than the burning of fossil fuels does, and we believe that we are going to have considerable possibilities in that direction too.

I also mentioned in my talk that we feel the direction we are taking, more efficiency, is going to add to the number of jobs available in the long run. These jobs will not be in one place, as the jobs, for example, building Darlington are. They bring workers from all over the place, so they have to leave their homes and do something very intensive and temporary and then they are on their way again. These will be jobs that people can do in their home towns. There will be new industries, sunrise industries that will cater to the market that is generated by this kind of approach, where we are making energy-efficient appliances, which will give us vastly improved opportunities for export.

If you create goods that are behind the times, they end up being dumped on the market in backward areas for sale prices. If we can produce goods that are state-of-the-art, we are going to find that they are much easier to export and we will get better prices for them. This will help Ontario to become strong, help our balance of payments. We can already see some beginnings of that kind, for example, there is a bus company in Mississauga which is producing buses that function on natural gas rather than gasoline. They have very good prospects for exporting these and for generating good permanent jobs in this province.

I think I have probably covered the main points raised. The main point did seem to be the absence of faith in the possibility of carrying into the indefinite future without generating more nuclear power.

1440

As I said, there was an article in the Globe and Mail. In fact there were two articles, one above the other. The first one was headed "Hydro's Finances Shaky," and Hydro is saying that it is going to have to charge more for power in the years to come to cover the expenses it has already incurred. Most of these expenses are the result of nuclear facilities coming on track, and it is true that the more generating capacity we build, the higher the marginal cost, and the more power rates have to go up. By using efficiency, we are in fact helping to keep the cost down.

I might also point out that if we can keep demand down, not only does this keep the price down but it means that if people are actually using less, if they are doing the same job with less power, which is what we are trying to do, for example, when people get a lightbulb that burns 15 watts and gives the same light a 60-watt bulb gives now, people are going to be using less power. Therefore, even if power costs twice as much, if they are using half as much, they are only paying the same bill, so efficiency is related to what it costs people to have their power as well. If we are efficient, then it does not matter quite so much if the price has to go up, and it does look as though the price is going to go up anyway as a result of past policies; nothing to do with what this present government has done.

Also it seems that performance has been flagging because of the wearing out of some facilities, and as I said, we are infusing new efforts into making sure that performance is raised.

Mr Jordan had something to say about industries leaving Ontario because they are afraid there will not be enough power. Now I really repudiate that one. I know that a lot of jobs have been and are being lost in this province, that a lot of industries are leaving, but I would say the number one reason for that is the free trade policy of the federal government which means that a lot of branch plants have been repatriated to the USA. I would say a reason is the high dollar that we have in this country at the moment, which makes it difficult to export, and I would say a reason is our high interest rates.

We did in fact have quite a—what shall I say?—frank discussion with some representatives, I think it was of Abitibi-Price, who said that it had in fact taken a factory out of Ontario and put it back into the United States, the inference being that this was because it had no faith in our future power supplies. Now, we looked into this question. We found that the factory concerned had moved or the decision had been made in 1987, so we could hardly be blamed for this. They went to an area in the United States that has a largely non-nuclear utility in any case, and they now plan to build their next plant in Ontario. So really they were just using this as a kind of smoke-and-mirrors tactic to scare us into thinking this was a reason for leaving Ontario.

Our power rates in this province have been very low, very competitive, and I think there is room actually for them to go up a little at least, without industry being scared off for that reason. I do not think power rates are actually one of the major considerations that industries have when they are deciding whether or not to locate in Ontario. So I

really think that one is a bit of a red herring. I do not accept that as an argument. We are in the grip of a recession, but it is nothing to do with our policy to have a nuclear moratorium in this province.

Mr Eliesen: Maybe I can add, Minister, on that specific example, the article that was mentioned, I believe, by Mr Jordan, the executive from Abitibi indicated to us after we wrote to him that he was misquoted, that there had been no decisions made by his company which had resulted in a loss of a plant to the United States. He did indicate to us that there were two plants for which in 1987 and 1988 they had made decisions to go to the southern United States. They had nothing to do with energy reliability in the province of Ontario and he indicated that he was misquoted in the article mentioned.

Mr Jordan: If I might say, Mr Chair-

The Chair: There is not room for debate of points. The minister has the floor and at the conclusion of the statement period there will be—we have seven hours to get into all of this, so we will just be patient here. Save your energy.

Hon Mrs Carter: How are we timewise, Mr Chairman? The Chair: You have about four and a half minutes or five minutes.

Hon Mrs Carter: Five minutes, yes. I would like to come back again. Mr Jordan, you said, and quite rightly, that Ontario Hydro was one of the main reasons why Ontario developed. I would be the first to admit that Ontario Hydro has a wonderful history of being a very efficient utility and that its reliability of supply is second to none. I do not think that has changed in any way. I think their reliability of supply is still second to none and we intend to make sure it stays that way. That is an absolute priority.

But Ontario Hydro has developed in a certain way. They have tended to build capacity, to say, "Oh dear, we are not going to settle on this capacity." They have gone out and advertised with such slogans as "Live Better Electrically," which I believe was their slogan for quite a long time.

Ontarians have responded. They have surrounded themselves with electrical appliances, which is great. They have gone in for electric space heating. This has been a province where electricity has very high usage, but nothing can go on growing for ever. What happens is that they sell this power, then they begin to worry again about the availability of it and then they build a whole new lot of generating facilities, and there has been a kind of leap-frogging effect which has gone on for decades.

Now we are beginning to look at the environment. Now we are beginning to realize that the world is a finite place and that we cannot go on expanding things for ever. Also the financial aspect of doing this is beginning to catch up with Hydro. I think people within Hydro itself have made statements indicating that they are aware of this problem. I think it has been called the ratchet effect. We are coming to a point where although it may have served us well in the past, it is not something we can continue doing into the indefinite future. We do have to look at other ways of going ahead in this province.

The Chair: Thank you very much, Minister. That completes your remarks. I had hands; the Chair was flagged.

Mr Charlton: On a point of procedure, Mr Chairman: I was led to believe earlier that it was your intention to move through the various votes in order and I do not have any objection to that when it comes to voting on those votes. On the other hand, I understand the minister has made the president and chairman of Hydro available from 4 till 6 today and that one of the Conservative members would like to return to the issue of grants tomorrow morning, which sort of bumps us in and out of order in terms of the votes. It may be wise if we were to stay under the first vote for purposes of our discussions, regardless of the order in which we might vote on those votes at the end of the process.

1450

The Chair: Thank you, Mr Charlton. I was about not to recognize the two who were trying to get my attention, to explain the importance of the procedure. This is a first-time committee for many people and it is the first estimates of the new government. So I would like to indicate that we have completed the first phase in accordance with the standing orders. We now have to divide according to our records the four votes—

Mr Charlton: Mr Chairman-

The Chair: I am giving an explanation. I would appreciate it if you would allow me to finish, as I did you.

Not only am I called upon according to standing orders to divide those equally in time, but also between the parties present on the committee. However, that can be reordered if it is required and if we have consensus. This is done when the special presentations are called upon, and in this instance the minister can guide us as to the availability of certain key individuals in accordance with those for both areas.

As the Chair, I would like to suggest that is our first matter to quickly discuss and then we can decide it, but for those new members I wanted to make it clear that we will be dividing the time unless there is unanimous agreement to spend more time on one vote over another, and second that that be done and that we have prior agreement so that the staff can be called forward where appropriate.

Now, I will answer questions on that as requested. Mrs McLeod is first.

Mrs McLeod: I would like to raise the issue of an equal division of time among the votes. I think that by far the majority of our questions, and I suspect that may be true for many of our colleagues, will be on vote 1403 and it would really not do justice to our interest in the estimates process to divide the time equally among the votes.

Mrs Marland: I concur with Mrs McLeod's comments.

**The Chair:** Okay, and I am sure the minister does not have any problem with that.

Hon Mrs Carter: I guess not.

The Chair: Fine, then the Chair is in the hands of the committee with respect to the order that we might call these up. I asked the question earlier. Could the minister or

the deputy indicate to us if there are any personnel who cannot be present or who will be here to deal with certain sections of the estimates?

Mr Eliesen: We will ensure that whatever personnel are required for whatever votes will be here.

The Chair: As the Chair, I have not received any special requests and neither has the clerk of the committee, so I wanted to make that abundantly clear. If there are any requests for key or specific individuals under the minister's mandate, it is helpful always for the Chair to know that in advance.

Mr Charlton: Am I assuming then that what the Liberal member has suggested, Mrs McLeod has suggested, implies that we can move in and out of votes?

The Chair: No, she just said the time allocation. It would not be my hope that you are going to complicate the discussion by moving in and out of votes too frequently, but there will be some flexibility there. I think the request was simply that we not divide the remaining five hours of the estimates as we now have them before us—five hours and 10 minutes—in four equal parts. We will be flexible. But in terms of calling up the order, I am prepared to proceed with what the committee wishes to proceed with. I am told by the minister that she does not have any specific personnel who cannot be here, so we are led to believe they are all here who are going to be here.

Hon Mrs Carter: I think we are up to strength.

The Chair: We are up to strength. If I do not hear, then I will naturally proceed with 1401 and I will remind the committee from time to time that you have now spent one quarter of the time and you may wish to proceed. That is how I will proceed as the Chair unless specifically guided.

Mrs Marland: Mr Chairman, I think as you have said that although there are standing orders for how we proceed through estimates, there can be a consensus of the committee, and frankly I really feel from my previous experience where we decide on the amount of time that is available—first of all, to the new members on the committee, you will find it is never enough, no matter what ministry, and I think the easiest way, particularly for the first time into this process, is that we not be structured as to whether or not we are going in and out of votes.

We have only got five hours now, and if Hydro is going to be here from 4 to 6 today, and people have questions in that area and if there are people who are here today and may not be able to be here tomorrow morning and have questions in other areas, I support the flexibility of them being able to ask those questions. I think simply what we should do is go through the votes at the end tomorrow.

Mrs McLeod: If it is the decision of the committee to go in and out of votes, I think we would be quite comfortable with that. If it is your feeling that we should take the votes in some order, I would like to recommend that we begin with vote 1403, so that we can get a sense of how much time that vote will consume and save the rest of the votes for later.

The Chair: Energy development and management program: If they want to go right to 1403, I just need one moment.

I am told that we can proceed with 1403 for discussions, but Mr Franklin is not expected here until four and therefore we may have to stack some questions that are pertinent to him, but that does not inhibit us from proceeding. Is that understood? We are not going to decide at this time the amount of time. It will be the Chair's and the clerk's job to advise you of how much time is left and what is remaining for us to deal with.

Mrs Marland: Mr Chairman, are you saying as Chair that you have accepted the consensus of the committee that we are very flexible?

The Chair: I said that 10 minutes ago. What I said was that, hearing no other debate, we can proceed with 1403. I wish to determine when exactly Mr Franklin will be here to make sure that you are able to have a full and frank discussion on 1403. I have advised the committee that he will not be here for another hour, but if you still wish to proceed, fine. No one commented after that, so I presume that you are willing to proceed.

Mrs McLeod: Everything is under control.

The Chair: I know, I am in control; do not worry about that. Are there any further questions about how we are proceeding?

**Ms Haslam:** As a point of clarification, Mr Chairman: What happens is that all the votes are taken at the end.

The Chair: If you wish. If you wish to stack the votes, you have every right to do that.

Ms Haslam: No. That is what I wanted to have clarification on: that we are very flexible and that the voting would take place at the end.

The Chair: It was not going to be an issue until the Chair suggested we should start voting, but that can be right close to the end, if you wish.

Ms Haslam: Thank you.

The Chair: I would like to proceed with some questions and answers because I sense that is what the committee would like to do and that is why all the ministry staff are here. I should offer some clarification here. We will proceed with the official opposition. The Chair will attempt to ensure that there is balance in the access to questioning and for all parties represented in accordance with the standing orders. We will start with the official opposition. However, we will attempt to balance that off today. We are no longer on a time schedule, but people respect that others may wish to question and comment in fair rotation. On that understanding, please proceed, Mr McGuinty.

Vote 1403, energy development and management program:

Mr McGuinty: I wonder, Minister, if I might begin by exploring the area of energy from waste with you. You are probably aware that in a letter dated 14 August 1990—I believe it was signed by the Premier—to a coalition of environment groups, the NDP committed to an immediate ban on municipal garbage incineration and

has indicated—this is a matter of record—a vigorous opposition to such a program.

A question, of course, that was raised was how can the 3R program be successful in conjunction with a garbage incineration program? There was also some criticism levelled at the capital assistance program which was being used to fund waste management, and of course there are the problems associated with global warming.

Can you tell me, first, is that ban currently in effect?

Hon Mrs Carter: I would not say there was a ban, but I have asked my staff to review the energy from waste program. I guess we have two possible problems with it. One is the environmental one—although I know there is advanced technology in this field, nevertheless in practice there have been a lot of environmental problems with plants of this kind—and second, the relationship of the energy from waste strategy to the 3R program, reduce, reuse and recycle.

#### 1500

The main thrust of the Ministry of the Environment's waste program is to reduce garbage. This is the thing we really want to do. If you are going all out to reduce the bulk of garbage that has to be disposed of, you do not at the same time commit yourself to large, expensive plants which are going to burn this garbage. I would say the thrust is to see how much we can achieve by reducing garbage and then reassess the position with regard to energy from waste after that point. I am going to ask my deputy minister, Marc Eliesen, if he would like to comment or call on staff to comment on that.

Mr Eliesen: The program, as some members of the committee may be aware, has been in place since March 1987. Formal applications were not received for the program until early in 1989. The current status is that there are three projects that have received approval under the energy from waste capital assistance program. The details can be provided in a written form in a much more detailed way.

We have been asked by the minister to review the entire program, together with the Ministry of the Environment, and to come back in the near future to make recommendations for cabinet's consideration.

Maybe I can ask Jean Lam, who is the assistant deputy minister for programs and technology, if she can add any additional update information on that particular program.

Ms Lam: As the deputy mentioned, the capital assistance program has been in effect for some time, and the major rationale behind the program was to consider waste facilities as an option for both waste management as well as an indigenous source of energy.

The three projects that have received funding under the energy from waste capital assistance program include a 23-megawatt project at the Brock West landfill site. This project is due for completion in 1991. It makes use of landfill gas. The second project is a 100-megawatt project which uses a combination of wood waste and natural gas, and this project is in Kirkland Lake. The third project is a 9-megawatt project outside of Brampton. It is the Peel resource recovery facility and that makes use of municipal solid waste. Together they will have the capacity to pro-

duce approximately 132 megawatts of electricity, and the total provincial funding for these three projects is in the neighbourhood of \$12.7 million.

As the deputy has indicated, staff are reviewing the program jointly with the Ministry of the Environment to ensure that it does meet the government's overall waste management strategy, dealing primarily with the emphasis on reduction of waste.

Mr McGuinty: What kind of time frame are we looking at with respect to completion of this review, Minister?

Mr Eliesen: If I may, the review should take approximately three to five months. Clearly, we are looking at all aspects of the current program and the different kinds of incineration that are commensurate with the government's 3R program. There are clearly different implications if you are attempting to produce generation from methane gas from landfills as opposed to wood waste, another form of incineration. Proposals have been put forward in the context of the tire problem in Ontario, of burning tires. All of these are currently being reviewed in detail, and it is hoped that within the time period I mentioned we will be back to both ministers with specific recommendations.

Mr McGuinty: How are applications for financial assistance which are being submitted at present—that is, in the period during which the review is being conducted—being treated?

**Ms Lam:** We are not receiving any applications at this time, given that the program is under review.

Mr McGuinty: I gather you are not accepting applications.

**Ms Lam:** That is correct. We are informing all interested parties that the program is under review by the government.

Hon Mrs Carter: The moneys for that have been, as it were, taken out of our current estimates.

Mr McGuinty: I have a question relating to a facility located in London, Victoria Hospital. I understand they are experiencing significant difficulties there. There is an estimated \$7-million operating shortfall for fiscal year 1990-91, which could ultimately lead to bed closures and staff layoffs. I understand they burn there some 270 tonnes per day of waste from the city of London. There is no positive cash flow at the present time. A number of solutions have been advanced. I wonder if the minister can comment with respect to this situation.

Hon Mrs Carter: This is something that was developed a few years ago. It started operating in 1987 with various government grants. Unfortunately, I believe it costs more to run than had been foreseen. Also, there is difficulty because the tipping fee for garbage in the London area is not as large as it is in some other places, so they were not getting as much return on this as might have been the case.

The present government was not responsible for the initiation of that. It is, in fact, in the hands of the Ministry of Health rather than of this ministry. All I can say is that we respect the current decision to sell or close and will negotiate the most appropriate means of assisting with the

operating deficit on that. The deputy minister might like to comment.

Mr Eliesen: If I can just make a couple of observations, this clearly is one of the areas that we are looking at as part of our overall review. The whole notion of adequate tipping fees by municipalities is a question of concern with such waste facilities, because it can make or break the operation of these facilities. The fact that there has been such a low tipping fee in the London area clearly has led the hospital, because of the mounting deficits associated with running the operation, to close the facility and to now basically make it available to any buyers on the market. It is one of the main factors causing the review, the degree to which tipping fees are adequate in all the municipalities of Ontario and at what level they are required in order to make these operations more successful in the future than that experienced by London's Victoria Hospital in the past.

Mrs McLeod: Minister, I would like to take you back to the review itself. A concern I have is that in the responses to the questions about energy from waste seems to be the implication that there would be environmental concerns about the projects being undertaken. As ministry staff has indicated, there have been three projects undertaken within the fiscal year of the estimates we are looking at, all of which passed the most stringent environmental regulation standards, which leads me to ask: Specifically what were your concerns in instituting this review and what have you asked people to examine?

Hon Mrs Carter: I think you are right that some facilities are operating satisfactorily. As far as I know, the Victoria Hospital facility has not given a problem environmentally. But if you think of the Windsor-Sarnia area, for example, they are having serious trouble there as a result of energy from waste burning. I believe the Minister of the Environment just recently had a report on the air quality in that area and she was seriously concerned at the results. As I say, it is associated with waste-burning plants, probably in the United States rather than in Canada, but nevertheless the same principle applies.

1510

Mrs McLeod: I hope we are looking at our own jurisdictions, because we have set our own standards and I would not want to see our jurisdiction compared to American standards or the problems seem to be synonymous.

May I ask whether you have empirical studies or have asked for empirical studies as to the amount of carbon which might be produced in the course of incinerating waste—I am thinking particularly of solid waste—and how that would compare to the methane that would be released from an equivalent amount of waste going into a landfill site; and as well, as part of that study, the question of how much potential pollution is saved by not having to generate that equivalent amount of energy by an alternative means?

Hon Mrs Carter: I certainly take your point about landfills, but if we reduce the garbage in the first place, as I was suggesting, particularly if you compost the wet waste, then maybe that problem will not arise. Maybe staff would like to comment on that.

Mr Eliesen: That aspect is included in the review, ensuring that comparisons of the different forms of incineration are made available to the government; and the implications, obviously, because as I mentioned earlier there are different environmental aspects associated with the burning of different kinds of waste. Current Ontario air standards and the alternatives, how this would be dealt with in other forms, clearly will be included in the review.

Mrs McLeod: Just so I can be clear, you are not suggesting that the comparison is only between the product of different forms of energy from waste, but that you are also looking at a comparison of energy from waste to other forms of energy generation and also to landfill disposal of waste.

Mr Eliesen: That is correct.

The Chair: You have had about 15 minutes. If you want to complete this line of questioning, we could proceed and then we will be back to you in a moment. Do you have another question?

Mr Daigeler: On that very question. First, I want to excuse myself for having slipped in and out, but I had to witness the rather sorry event of seeing another NDP promise being broken by the Treasurer's transfer announcements today. I was rather busy in that regard.

The Chair: Have you issued a press release or did you just save this for estimates?

Mr Daigeler: I am not too clear about this review that is under way. I would like to get a little clearer idea of what the criteria are that the minister has given for that review of energy from waste products. What is it that you have asked the administration to do?

Hon Mrs Carter: As I said, there are the two concerns, the environmental and the question of waste disposal as such. Again, I think we should ask the deputy.

The Chair: She is deferring to the deputy minister. Did you have a further clarification?

Mr Daigeler: I find it amazing the minister would not know what she has asked of the administration. Are you telling them to reduce this approach as much as possible, in view of more or less eliminating this energy from waste idea, or are you saying review what the costs are? What are they supposed to look at?

Hon Mrs Carter: Of course, the Minister of the Environment is responsible for waste as such, and her main thrust is to reduce it so that there will not be so much to dispose of.

Mr Daigeler: So you want to reduce the approach of energy from waste?

Hon Mrs Carter: We want to reduce the amount of waste, in which case, obviously, this affects what facilities one would or would not build. We also want to look at the cost impact of doing this as compared to other ways of disposing of waste.

The Chair: Did the deputy wish to respond?

Mr Eliesen: These are the directions the minister has given to us: to work with the Ministry of the Environment, which is the lead ministry in the whole question of waste

reduction, to evaluate the role that energy from waste can play in the future; to look at it in the context of the 3Rs policy of the Ministry of the Environment; furthermore, to evaluate and review the economics of these operations.

As I mentioned earlier, there is concern, clearly, given the results of Victoria Hospital and its decision to close a facility, a facility which met all the standards, yet the economics of the operation and the continuing deficits led the board of directors of Victoria Hospital to close the facility. That has caused a major part of the review to be looked at, specifically the tipping fees that are available in the various municipalities. Together with the environment, these are the aspects we will be looking at.

Mr Jordan: First, Minister, I just wanted to clarify that I was quoting the chairperson of the association of major users of electricity, him saying that was the reason it had moved. I do not know if this man has been misquoted, but if you want reference to it—

Hon Mrs Carter: I think it was at an Association of Major Power Consumers in Ontario session that this arose.

Mr Eliesen: The AMPCO representative, Mr Lounsbury, referred to the statement made by Abitibi-Price. We got in touch with the individual, who denied saying what he is alleged to have said in the article. He provided us with the information which I made available to you earlier.

Mr Jordan: We can still, I guess, assess that there is a concern, regardless of whether the quote is word for word.

The other point under vote 1403 is that this activity makes up almost 60% of your ministry's budget, energy development and management. That makes up 60% of your \$51-million budget. Will the funding for these projects be continuing if the Premier declares a moratorium on incineration of waste?

Hon Mrs Carter: I do not quite understand you, because this is a whole range of programs we have. Energy from waste was only quite a small part of this.

Mr Jordan: Where would you, as the Minister of Energy, find yourself should the Premier declare a moratorium on spending moneys on research on energy from waste?

Hon Mrs Carter: As I say, this is a program which we have, as it were, sidelined at the moment, in any case. We have a large number of other programs that come under that budget.

Mr Jordan: I realize that, but there was \$11 million for this purpose.

Hon Mrs Carter: I see.

**Mr Eliesen:** We can provide some updated figures on the expenditure flow within this edition. Jean, if you would like to provide the details.

Ms Lam: The three projects in question, as I indicated earlier, will be receiving a total of \$12 million over a period of a number of years. This current fiscal year I believe our expenditures to date are in the order of \$8 million.

Mr Jordan: Am I to understand that \$8 million of the \$11 million has been spent? Is that what I am hearing?

Hon Mrs Carter: Yes.

The Chair: That is concurred with by Ms Lam.

Ms Lam: But the \$11 million noted in the estimates figures is only a part, as the minister said, of all of the program activities. We have a wide range of program activities that cover all sectors, including education, transportation, municipal buildings.

1520

Hon Mrs Carter: I said I think we can make a distinction here between energy from waste in the sense of garbage and energy from wood waste, which you get in conjunction with logging firms and so on, because that does appear to make environmental sense. So although it comes under the heading of energy from waste, it is a rather different category.

**Mr Jordan:** Relative to that, I was also wondering about the \$1.2 million on transportation projects. How much of that is going to be spent on the potential use of alcohol fuels for automobiles?

Hon Mrs Carter: I will ask my deputy to refer that to the staff

Mr Eliesen: Maybe we can ask Jean if we can get the details on that.

Ms Lam: Barry Beale, the manager for energy efficiency programs, whose responsibility is transportation energy programs, will be happy to provide that information.

Mr Beale: We have one project under discussion with the industry right now related to the use of methanol, which is one of the alcohols I think you are referring to. We have no projects for the use of ethanol as a transportation fuel at this time.

Mr Jordan: Do you plan to have money spent in that area?

Mr Beale: In my section we deal with commercial demonstrations and there have been no projects that have been identified to us that we would be moving forward with in the near term. There may be projects of a research nature which one of my colleagues can comment on.

Mr Greven: I am Bob Greven, manager of research and development. We have currently two projects that fit into the category of ethanol production. Over the past number of years, the Ministry of Energy has funded a great deal of activity in the production of ethanol for fuel purposes from wood. The total expenditure is approximately \$4 million. Unfortunately, while there have been technological improvements, there have not been any breakthroughs that make ethanol from wood competitive with ethanol from grain, which in turn is not competitive with gasoline.

The two projects that we have going on this year are with two major companies who are co-operating in an attempt to convert waste paper—not newsprint, but rather the type of waste paper that we are looking at here today—into fuel ethanol. One of the problems with waste paper is that anything that is laser-printed apparently cannot be recycled, so it is at an early R and D type stage, as most of the projects in my area are. But we do hope that in three or four years we may have found a mechanism to get some

improvement in the landfill problems of paper, while at the same time hopefully producing fuel ethanol at a more cost-effective price.

Mr Jordan: I also understood that the Minister of Agriculture and Food was working with you people on the ethanol from grains to see if he could put together a project to help the agricultural industry.

Mr Greven: Yes, this has come about from time to time. The difficulty with it is that the cost of ethanol from grain is still extremely high compared to the cost of, let's say, the conventional fuels. At the moment, while it does occur in the United States, it is only at a level of subsidy which is not deemed as being appropriate here. The current provincial government gasoline tax rebate, if you wish, is equivalent to 11.3 or 11.4 cents a litre on gasoline. Unfortunately, that is not enough to create a viable fuel ethanol business in Ontario, whether it is from grain or from wood.

Mrs Marland: Minister, I would like to ask you a question as the Minister of Energy and not get an answer from the staff. To get back to the EFW concept, do you, as minister, support energy from waste projects?

Hon Mrs Carter: It depends, does it not? You know the 3Rs: reduce, reuse and recycle, and I think the main thrust has to be to reduce.

Mrs Marland: I am asking you a direct question. Do you support the energy from waste concept? I know the 3Rs and fourth R very well.

Hon Mrs Carter: There again, it probably depends on the instance. I am waiting at the moment for a review of that question, but the kind of thing that comes to mind is, "Can you do something special with old tires?" There are people who say they can put them in a vast microwave oven and come up with whatever the constituents are, and that might be a special case.

**Mrs Marland:** So you do not actually have a position on energy from waste at the moment?

Hon Mrs Carter: I think the main thing is to reduce our waste stream by other means, but there will not be particular kinds of—

Mrs Marland: As I was going to-

The Chair: Please, Mrs Marland, let the minister finish.

Hon Mrs Carter: There might be particular instances in which it makes sense, but I think in the sense of taking municipal garbage and burning it, our approach would be to reduce that garbage flow in the first place. That is our first thrust, because we feel that most of that stuff is not really garbage at all if you find out what you ought to be doing with it.

Mrs Marland: Yes, I understand that, but when you have reduced the amount of garbage and you end up with garbage to be disposed of—I am not talking about volumes, I am talking about a concept—when you have reduced and you have recycled and you have reused and you still have garbage to be disposed of, do you support the concept of energy from waste?

Hon Mrs Carter: I believe that question is being reviewed and I do not want to pre-empt the results of it. It is possible that there might be something valid there. I really could not say.

Mrs Marland: So as minister, you do not have a position on that at the moment?

Hon Mrs Carter: Not at this moment.

Mrs Marland: I am very concerned when I hear that whether or not energy from waste as a concept works depends on the tipping fees. I understand the economics of it very well and I understand what has happened to the London Victoria Hospital. But speaking for the taxpayers of the province, I have a great deal of concern if a decision whether or not to go ahead with energy from waste depends on the tipping fees. What we are saying to the people of the province is, if you are willing to pay highly enough on your property taxes for your tipping fees, and they are the only people who pay in terms of municipal garbage, then we might have a goal for an EFW plant. That gives me a great deal of concern, because I do not think a goal for EFW has to depend on whether or not we can ram it through on the backs of the property taxpayers.

I am very interested to hear that the three projects that are under review include one that is not even operating yet, and I am wondering why that is. I refer to the Peel resource recovery project in southeast Brampton, which I think formerly was SNC, if I am correct. What do you mean when you say that that is one of the EFWs under review?

Hon Mrs Carter: First of all, tipping fees are not my area of jurisdiction.

Mrs Marland: I did not use it. You used it.

**Hon Mrs Carter:** I think this is a fairly technical one, and I will ask the deputy minister to answer.

Mr Eliesen: To answer the question, the two revenue sources for any energy from waste project really derive from tipping fees, which in the province of Ontario can vary anywhere from \$15 to \$100 a tonne. This really depends on the municipality and its alternatives of landfill that are available. So there is a wide variety within most Ontario municipalities on the tipping fees.

1530

The second source of revenue, is, of course, the revenue from the steam sales. Those are relatively low. The economics of energy from waste projects primarily, at the current time, relate to the tipping fees. So that is part of the review and one of the questions have been raised in the past is whether there should be a uniform tipping fee applied to all municipalities in Ontario. This is one area we are reviewing particularly because of the London Victoria Hospital experience.

To answer your question on the Peel resource recovery project, that is now being built and due for completion, I am advised, in 1992. This is one of the three projects that have not received approval prior to the review that has been deemed by the government.

Mrs Marland: But your ADM said it is under review.

Mr Eliesen: No, I am sorry, the three projects have been approved. The project that you refer to is due to be completed in 1992. All other projects now coming in will be put on hold pending the review and the government decision in the future. Jean, do you want to confirm that?

Ms Lam: That is correct.

Mr Hansen: Minister, there was one thing that was already answered. Mr Jordan had said, you know, his concern was that companies coming into Ontario were not coming in because of Ontario Hydro, but that has been cleared already.

The other one is in regard to the advertising that we are doing, like we are not a throwaway society any longer, in the papers and on TV. How is the message getting across to the people and how are they responding to this? Maybe just as a supplementary to that, your staff can answer also: Have we seen any reduction in the homes and in industry with some of this program ongoing, and what would be the approximate savings coming along on our conservation program?

Hon Mrs Carter: If anything, the ad campaigns have been too successful. Prior to the introduction of that number, the ministry received about 150 calls a month, which was manageable. Now it is about 2000, so we have really seen a difference there.

Since the throne speech showed that this government was really concerned about energy efficiency, one million pieces of material on energy efficiency have been requested from the ministry by the public. Sometimes I think the public is ahead of us on this. They are really pushing there. People are worried about the environment and they are worried about what we are doing to the world. There is a lot of interest out there and a lot of pressure on this. Would you like to take that on?

Mr Eliesen: Minister, maybe I can ask Dick Dickinson, who is our director of communications, to provide some details on the kind of public education campaigns that we have under way and more specifically some of the responses that are coming back, not only from residential but also from commercial and industrial people.

Mr Dickinson: We have targeted three groups: the industrial, commercial and institutional sectors. You may have seen some of our advertising in newspapers that outlines the programs that Jean has been mentioning. We have had a good response from those advertisements and we continue to get requests for information from those sectors.

We have also targeted women in the 18-35 age group because they have concerns about the environment and it is important that people understand when they use energy, they have an impact on the environment. They are a target group for us and we use a number of routes to approach them. One is through magazines that are popular and have a long shelf life such as Chatelaine and Canadian Living.

We have also produced some advertisements that you have seen on TV called "Energy and You," and they link directly to our "Energy and You" campaign in the two ladies' magazines. We have also developed that to target home owners in general and car users through our program of media campaigns that we have been running over the

last two or three months. The result has been quite phenomenal.

In the early part of last year, about a year ago, we were receiving a total of about just over 1,000 calls a month. In October this had risen to something over 4,000. In November and December, because of all the promotional activities, we are absolutely inundated with calls. It went to 19,000 individual calls in November, dropped to 12,000 in December, thankfully, and we have managed that okay. But the interest is maintained and during January it was well in excess of 7,000 calls. Those calls are a combination of requests for information, publications and other material.

Hon Mrs Carter: Can I come in here with some more about our programs? We have quite an array of them. They come under three general areas: research and development, industry programs, and public, institutional, transportation and education.

We give research and technology development and we give financial assistance to Ontario industries to do innovative things. The EnerSearch program has been in operation since 1986. We have industry programs which promote and facilitate adoption of wise energy-using practices in Ontario industries. That includes the development of parallel power generation and transfer of technology and information to the industrial sector through demonstrations and seminars.

We have a cogeneration program which promotes and assists in the development of Ontario's cogeneration potential in industrial, commercial and institutional sectors. Of course, this means that you are getting power from fuel that has been used to do something else, so that this is a very rewarding way to go.

We have already looked at the energy from waste program. We have a process equipment demonstrations program to encourage Ontario industry to increase its competitive advantages through leading-edge technologies. We have a small hydro and renewable energy program to help the general public and renewable energy organizations with information and help them to overcome barriers. We have a building, training and technology transfer program to promote energy-efficient construction, operation and maintenance of buildings.

We have a transportation energy program to help industry, government and consumers understand the economic and environmental benefits of energy efficiency and fuel diversity. We have a municipal buildings energy efficiency program, affectionately known as MBEEP, which I always enjoy when I see that, which helps far-flung municipalities, for example, to run their ice rink more efficiently, this kind of thing. We have a commercial building energy management program which helps by providing funding for a consultant and seminars that can help building owners.

We have an institutional energy management program which gives grants of up to 50% for professional audits, technology demonstrations and so on. We have codes and standards revisions under the Energy Efficiency Act which improve the efficiency of appliances and products sold in Ontario and we have an energy education program which

disseminates information to teachers, students, families, whoever. We are supporting the Energy Educators of Ontario, the Kortright Centre for Conservation, Science North, the Durham Board of Education and many more.

As you see, we have got a lot of projects going on to encourage and improve education and efficiency in this province. I will ask my deputy to call on staff to give some firm numbers on how much energy we are saving as a result of these programs.

1540

Mr Eliesen: I will have to call on Jean, since I do not have the numbers in my head. But clearly the thrust of the ministry, which continues under the new government, is to ensure that there is much energy conservation and energy efficiency taking place, and these programs which apply to the fiscal year ending 31 March 1991 have really been taken up. Jean, maybe you can give a summary of the expenditures related thereto and the kind of savings that we anticipate.

Ms Lam: Sure, I would be happy to. Let me just give you an example of a couple of the successful programs. For example, the municipal buildings energy efficiency program, the MBEEP program the minister mentioned, by the end of the three-year program through an expenditure from the government of about \$3 million for energy audits and retrofit grants, we anticipate saving approximately 34 million kilowatts as well as an energy savings of over \$850,000 per year. This means that these energy savings which result from municipalities putting in building improvements to their own infrastructure will result in energy savings; year after year, lower energy bills.

The industrial energy services program is another very successful program, and I know that Linda Ploeger, the manager, would be delighted to give you some of the details because what we are doing in that program is assisting Ontario industry to be more cost-competitive as it meets the global competition.

Ms Ploeger: Thank you, Jean. Some of you here today will be familiar with our industrial energy services program. This is where we provide engineering services to the industrial plants in this province. The program is over three years old. It is one of our core businesses. We have been very successful with this program in that almost 50% of the recommendations that our ministry engineers have made to the industrial plants in this province have been implemented so far.

I can share with you the types of results that we have accomplished over the first three years of this program. We have completed 323 energy audits, and these audits have identified energy savings of \$12 million in electricity and over \$25 million in fossil fuels. I always like to give examples because I think sometimes they are more meaningful for those of us who are not engineers. This was enough lighting and appliances for a city the size of Burlington and all the space and water heating for a county the size of Perth. Those are the types of overall aggregate energy findings that we are finding in industry.

One year, actually examples of the results for the 1990-91 year, we have potential energy savings estimated at \$3 million of electricity and over \$9 million for fossil fuels. Again, an interesting comparison is that this is equivalent energy savings for a city the size of Orillia.

We could go on and share with you some of our other technology demonstrations, but I will wait for the call of the Chair.

The Chair: If you did, then the other member of the government caucus would not be able to get one of her stimulating questions in.

Ms Haslam: Thank you for the compliment.

The Chair: We are waiting with bated breath.

Ms Haslam: I know you are. It is just that they have answered half of the question I already had. So I am going to make a couple of comments and ask another question. I am interested that you targeted women from 18 to 35. I would like you to take that up a few years. There are more of us over 35—and there I am making this big, big announcement here—who are interested in energy savings, and I will pass that on because the media campaign was something that I found very interesting.

I am going to ask two or three different questions, and maybe you can answer. One is that, if it is so successful, I am wondering if there are any plans to have it expanded. I also wanted to know about the \$240 million, whether some of this money from the \$240 million not going into nuclear plants has been used in this particular program. There are so many programs, is that where some of the \$240 million went?

I also was very interested—because you mentioned Perth and any time you mention my home riding of Perth, my ears prick up—in your assistance to industries to be more cost-efficient—is what you were saying or what the Chair introduced it as?—and your use of engineers here. I am wondering if those engineers are some of the ones used out of the \$240 million saved from the moratorium. And that 50% of those energy services were being used—I wondered about the next 50% that should be used up.

**The Chair:** The Chair recognizes Mr Dickinson. Good luck with that run-on question.

Ms Haslam: I like to ask all my questions quickly.

The Chair: You only had a minute, but you did.

Mr Eliesen: If I can just make one clarification, there is a difference between the Ministry of Energy's programs and expenditures and the \$240 million referred to. The \$240 million is Ontario Hydro. You will have an opportunity later on this afternoon of asking Mr Franklin on the redirection of that \$240 million in Ontario Hydro. This has nothing to do with the efforts by the Ministry of Energy to—

Ms Haslam: So the short answer is, "No, Ms Haslam, there are no engineers from the \$240 million in this, and no, Ms Haslam, there are no moneys from the \$240 million in these programs."

Mr Eliesen: D'accord.
Ms Haslam: Thank you.

The Chair: Well done, Mr Dickinson.

**Hon Mrs Carter:** We do not have that kind of money.

The Chair: You should show up more often. The question has been answered.

Ms Haslam: I am very impressed with the ads. They struck me the minute they started and I want to know if you are going to expand them. You have targeted women 18 to 35; I want to know, if you have become so successful that you are getting 19,000 calls a month, if you are going to expand this and how you are going to expand it and, back to the industry question, whether there are plans for the next 50% to be used.

Mr Dickinson: Okay, I will deal with the advertising program. I do not want you to feel that ladies outside the 18-to-35 age group were excluded, not at all. But a psychographic analysis that has been undertaken by various attitude survey companies indicates that particular group are the ones who are most concerned about the future and we have targeted them because we feel they are good ambassadors for the direction we are taking. They are concerned about their families and their children in particular and the future for their children. So we have used the advertising route to get information to them about the impact of their energy use on the environment, and if you have seen them, you will note that we have put environment up front. We also give them tips, and that is the other thing people are always asking for. "How can I save energy? What can I do?" Some of the simple things they do not think of, so we are pursuing that.

I do not want to create the impression that the 19,000 calls are all from advertising alone; they are not. They are a combination of various promotional vehicles we use. Advertising is part of that, but it has had a significant impact.

In terms of expanding it, at the moment we feel we have probably a reasonable mix, but the impact will take place over a long period of time. We do not expect to change attitudes towards energy use overnight. We are dealing with entrenched values and lifestyles, and we are talking about lifestyle changes to some extent. So we see this as an evolving campaign that will develop over time and we will measure our success by tracking the impact of those advertisements and then modifying them or changing them if the need arises.

Mr McGuinty: I would like to explore the issue of nuclear generators. I guess at the outset I would like to address the matter of the demand/supply plan. In connection therewith, the ministry prepared a review of the plan, which was submitted to the Deputy Minister of the Environment, and in there, as I understand it, the ministry set out its position, recommendations, conclusions with respect to the plan. I am wondering if you have any intentions to revise the recommendations contained therein, first of all.

Hon Mrs Carter: I think I am going to ask my deputy minister to comment on that.

Mr Eliesen: The ministry has no intention of reviewing the submission that has been made already to the DSP. There will be an opportunity in the interrogatories for the ministry experts to take the stand and to amplify on some of the written material that has been provided, but that is

the degree to which there would be additional information brought forward.

Mr McGuinty: If I might quote a specific from the summary found on page 3 of this review, the first sentence in paragraph one says, "Ontario Hydro's plans and proposals do not contravene any ministry policy." Does that still hold true for your ministry?

1550

Hon Mrs Carter: You mean the plans to go ahead with nuclear?

**Mr McGuinty:** The proposal put forward by Ontario Hydro, yes.

Hon Mrs Carter: We are going to review all the options on this and we are not going to state categorically at this point what the conclusion is going to be. There is not much point in having an inquiry if you have prejudged the results of it.

Mr Eliesen: If I may say, that is consistent with what was included in the review. The ministry did not take a position with regard to any specific technology. The ministry reviewed the proposals put forward at that time, which again was two years ago in the demand/supply plan, what kind of load forecast and the demand/supply scenario and made analyses and recommendations which it still stands by. Additional amplification—because we have been through now two years of additional experience—would be provided, as I mentioned, through interrogatories.

Mr McGuinty: If I may, Minister, your response seems to be somewhat contradictory then to the stated moratorium with respect to new nuclear facilities. On the one hand, the review provides that Ontario Hydro's plans and proposals do not contravene ministry policy; on the other hand, you indicated that there is a moratorium in place. Furthermore, we have yet to contend with the other campaign promise, which was to eliminate all nuclear facilities. I am wondering how you can reconcile those.

Hon Mrs Carter: I never did promise to eliminate all nuclear facilities.

Mr McGuinty: You did.

**Hon Mrs Carter:** The moratorium is open-ended. We have not said that there is a definite point at which it finishes. How does that contravene the environmental assessment?

Mr McGuinty: On the one hand, what you have done, to my mind, is that the government has indicated its preference not to resort to a particular option, that being the nuclear option. I am wondering specifically if the ministry intends to formally advance that position at the environmental assessment hearings.

Hon Mrs Carter: No, but then to do the opposite, to continue with preparation for nuclear plants, which is what would have happened I believe under a different government, the money that we were just talking about would have been spent on planning for more nuclear facilities and so on. So I do not see that we are prejudging the issue any more than would have been done in that case.

Mrs McLeod: As a supplement to that then, do I understand from your statements, recognizing that you are proceeding with the environmental assessment as you have indicated today, that a considerable amount of money is going to be spent by proponents, including the government, I would think, in making representation to the environmental assessment panel? It is important that we understand what the value of that environmental assessment process will be.

Do I understand then that at the conclusion of the environmental assessment first phase, if the Environmental Assessment Board presents to government a recommendation that new generation is in fact needed and that the optimal mix of new generation, both environmentally and economically, should include some new nuclear generation, the government is receptive to that position from the Environmental Assessment Board?

Hon Mrs Carter: I think we want to be very careful about getting into a hypothetical situation as to what this review might come up with.

Mrs McLeod: That is not hypothetical; that is the mandate of the Environmental Assessment Board, and I am asking how the government will receive its report.

Hon Mrs Carter: We shall receive it in a very broadminded, open-minded manner. This does not mean that we can guarantee to do what is recommended, because, as I say, that is hypothetical and we will consider that question when we come to it.

Mrs McLeod: Since you are prepared to consider a nuclear option at the conclusion of the first phase, may I ask, now that there is a moratorium on spending for feasibility studies for new nuclear plants only—I think, first of all, that may in fact prejudge the outcome—but since there is that moratorium, should the Environmental Assessment Board recommend proceeding with some new nuclear generation, how long will it take to do the environmental assessment feasibility studies that would be required?

Hon Mrs Carter: I think I will ask the deputy minister if he can clear that up.

 $\mathbf{Mr}$  Eliesen: I guess I can answer that question in two parts.

One, the moratorium on new facility development, I should emphasize, is on new facility development. The \$240 million that has been planned by Ontario Hydro between the years 1991 and 1993, which was the expected, anticipated termination of the environmental assessment, we are planning for the environmental studies related to any new nuclear facility, and the new government felt that that was prejudging the outcome and that should be held in abeyance.

That did not mean that the existing nuclear system would not continue, and in that regard the decision was made, one, that Darlington be completed, that only 90% of it is due to come now into operation, as the minister mentioned, 3,600 megawatts by the year 1992-93, and two, that \$100 million be spent by Ontario Hydro to improve the operational performance of the existing nuclear system.

Now, the second part really relates to the timing that is involved. It is the judgement of the ministry at the present time—ironically in part related to the recession that we have under way, but there is more than sufficient time to await the results of the Environmental Assessment Board recommendations so that the necessary planning can take place if the government accepts whatever recommendation is made by the Environmental Assessment Board at that time for any new facility that may be judged to be desirable in the future.

Mrs McLeod: Just as a point of clarification, I thought I would know what the deputy minister's answer was going to be, but I was a bit confused by one reference and I may have misunderstood. The moratorium is on spending for new nuclear facilities, as I understand it.

Mr Eliesen: That is correct.

Mrs McLeod: There is still a feasibility study being done on other alternative forms of new generation as was part of the DSPS plan.

Mr Eliesen: You will have to ask Mr Franklin when he is here on the conduct of planning that is currently under way in Ontario Hydro. The government's instructions to Ontario Hydro were not to prejudge which particular technology would be utilized and therefore whether it is coal or natural gas, or nuclear for that matter, and in the government's judgement, \$240 million being directed in advance of any recommendation from the Environmental Assessment Board was prejudging the outcome. But Mr Franklin, I am sure, would be able to answer the specific question on the kind of studies that they have currently under way pending the results of the EAB and a final on the recommendation to government and government's penultimate decision.

Mrs McLeod: I will re-direct that question to Mr Franklin. Thank you.

**Mr Daigeler:** I will ask a general, perhaps non-partisan question first and then it becomes partisan afterwards.

I am always struck with the statistics that say that here in Canada we are so much less energy efficient or so much more waste-producing than either the United States or European countries, and I am really wondering where that is coming from. I have, quite frankly, some basic mistrust in statistics, so I am really wondering, how can you calculate that and compare ourselves? Do you have any information—and I am sure the ministry does—on why we, as Canadians, should be so much more wasteful?

Hon Mrs Carter: I do not think we are that much worse in that respect from the United States, though I believe we are—

Mr Daigeler: According to your statements on page 5, "10% more than the United States and almost twice as much as people in some of the European countries."

Hon Mrs Carter: I think some of that is to do with the kind of industries we have in Canada, the resource industries, which do tend to be very energy-intensive, and it is partly I think due to the success of Ontario Hydro, which has encouraged the use of electricity very successfully in this province.

However, I will ask my deputy minister to try and fill in the details on that.

1600

Mr Eliesen: In the interests of time, we can make available and can either either verbally right now or in a written form provide the member and other members of the committee with country comparisons, both on energy intensity and energy efficiency, and those are two separate—

Mr Daigeler: I would be definitely interested in that, yes.

Mr Eliesen: Okay, and as the minister has mentioned, it is true Canada is a much more energy-intensive country, if only because we have had relatively lower, inexpensive, indigenous resources, such as falling water in three or four main provinces, which has allowed the establishment of energy-intensive industries to be located here. But we are concerned. We recognize that particular fact, but we are concerned with the energy efficiency of those enterprises and in that regard the statistics do not show Canada or Ontario in a good light. We can provide that detailed information, how Canada fares vis-à-vis the other countries, to the committee.

**Mr Daigeler:** What I am getting from your comments is that really the fact that we are using that much energy is not necessarily related to our wastefulness, but has something to do with the type of industry we have.

Mr Eliesen: It is a combination of both. The fact that we have been successful over the years in attracting energy-intensive industries, whether it is aluminum or pulp and paper or some other, related to the fact that Canada did have rich, inexpensive energy resources, but the degree to which we have those in the future, obviously, is much more limited, given the kind of costing that is taking place plus the environmental concerns on the method and manner in which we have generated that electricity. So the degree to which Canada has an opportunity in the future of continuing the method, whether it is through hydro development or through nuclear or through coal, obviously there are all sorts of environment concerns related to the future production of that, and that is what we are trying to come to grips with in our studies.

The Vice-Chair: Mr McGuinty has another question, Mr Daigeler. I do not know if you want to yield the floor.

Mr Daigeler: How much time do I have left?

The Vice-Chair: You have about three minutes left.

Mr Daigeler: I will get back to it later on.

Mr McGuinty: I would like to quote from the same review again, Minister, the one wherein your ministry, under the auspices of a former government, reviewed Hydro's demand/supply plan. I am just going to quote the first paragraph from the second conclusion, which is drawn in a summary which is found at the head of the report, and it says: "The Ministry of Energy develops its own forecast of the demand for energy, particularly electricity. On the basis of that forecast, and the information provided in the demand/supply plan, the ministry believes that major new supply facilities

are needed to meet increasing demand and to replace existing facilities as they reach the end of their useful lives."

My question is, does the ministry continue to hold this same opinion today?

Hon Mrs Carter: I think we have brought a new element into this, which is that by using efficiency and conservation, we can limit the growth in demand for electric power, so we have not limited the need for the hearing, which we think will be a valuable process of discussing energy in this province and how we should be producing and using it, but we are bringing in major new hydraulics in any case and I think it is a mistake to view this whole process as a confrontation between nuclear power and other means of producing power. The hearings are going to be looking at the whole energy field, not just this particular aspect of it, and we feel they will be very valuable.

Mr Franklin is now with us.

**The Vice-Chair:** Minister, I am chairing the meeting and I am waiting until Mr McGuinty has finished his question and then at that time I will say what we are going to do next. Mr McGuinty, you have one minute left.

Mr McGuinty: Minister, it appears to me from just a cursory view of the ministry's review that there was a rather exhaustive study done of the load forecast. It talked about band widths, how optimistic the forecasts were, and the conclusion was, after taking all that into consideration, that major new supply facilities were needed. Now I am asking, what has changed since that time? Has the ministry come into new information of which we are not yet aware? How is it that no longer holds true?

Hon Mrs Carter: I think there are new factors, yes, and we believe that we can take all kinds of steps to minimize the need for electricity, largely through efficiency, but I believe my deputy minister has something he would like to say to this.

Mr Eliesen: There are two aspects and they relate to energy conservation and energy efficiency, both on behalf of Ontario Hydro and also on behalf of the government of Ontario in its responsibilities for housing, transportation and a whole variety of other aspects in our society. It is possible, for example, within an enhanced demand management program for, let us say, 50% more than what Ontario Hydro has deemed possible until the year 2000, because it does recognize that there are 5,000 or 6,000 megawatts of potential, but it is aiming at 2,000. It may be possible to substantially increase that, and if you did it by 50%, both for the demand management and also for parallel development, you could defer any decisions on new supply another three or four years. That is one aspect.

The second aspect is the manner in which we organize ourselves collectively in society, and that is the kind of regulations under which housing is constructed, the manner in which transportation is being utilized, the kind of density that is related to municipal areas and the energy utilization of that particular area, and those are the areas, the two aspects in which a ministry has been given a mandate by the minister and by the government to co-ordinate for the future.

The Vice-Chair: Members of the committee, I just want to draw your attention to the fact that the chairman of Ontario Hydro, Mr Franklin, has arrived, and Mr Niitenberg. We are going to proceed as we agreed earlier, which is that we are dealing with the minister's estimates in whatever informal way of questioning we wish in terms of subject area.

We are going to try to be very fair about the time, however, and Mr Franklin and Mr Niitenberg are here as a resource for any questions you particularly want to address to them as it pertains to Hydro, but you also, of course, understand that it is the minister's estimates we are reviewing and we may wish to continue with the minister's questions as well. It is up to the members of the committee.

It has been suggested that the chairman of Hydro has a speech to make. Now in fairness, I want to say to the members of the committee that the purpose of these hearings is to review the minister's estimates. The only thing that is laid down in our procedure is that the minister makes a statement at the outcome of the hearing. I am at the direction of the committee as to how you wish to proceed.

Mr McGuinty: Do we know how long the speech would be?

Mr Franklin: I have not timed it. It is maybe 10 minutes or something like that. Quite frankly, the remarks are general and as far as I am concerned I am indifferent whether I deliver it. I am in your hands.

1610

The Vice-Chair: What is the wish of the committee?

Mr Daigeler: Usually, whether it is a minister or someone from the outside, they can work their speech into the answers to some questions, so not to set a precedent, I think I think I would prefer if Mr Franklin would make his remarks in the context of answering questions.

Ms Haslam: As a new member, I am not aware of the precedent. Somebody said there is a precedent; somebody said there is not. But I would be interested in hearing, because as a new member I would be interested in what he has to say about this commission. He can talk fast or he could make his comments. I would like to hear them.

Mr Jordan: I would be in favour of hearing the president's presentation.

Mrs McLeod: Obviously we want to hear everything Mr Franklin has to say. I think he will be addressing questions that we are very interested in. I would only be anxious that if there is a substantial amount of time devoted to a presentation in addition to the hour and a half we have already taken, we might look at some additional time, if needed, at the end of the session.

Clerk of the Committee: You only have seven hours.

The Vice-Chair: I think the problem is that we are locked into seven hours, so there is no additional time. If you wish to hear from Mr Franklin now, that is in the residue of time that is left before the committee. We cannot add to the time of the committee. So we have an hour and

50 minutes this afternoon and two hours tomorrow morning.

Mr Charlton: Carried.

Interjections.

The Vice-Chair: You want just to proceed with questions, as we were?

Ms Haslam: I would like to hear him.

Mr Perruzza: I would like to hear him.

Mr McGuinty: I do not want to make a mountain out of a molehill, but certainly a possibility exists for Mr Franklin to file his speech with this committee. Is that not a possibility?

The Vice-Chair: Yes.

Mr McGuinty: He could file the speech with the committee. He could provide us with copies.

The Vice-Chair: Yes, he could do that.

Mr McGuinty: I am concerned, perhaps one of the parties here is prepared to give up some of its time, but we have some important questions we would like Mr Franklin to address and we are just concerned about losing some time.

Mr Perruzza: On a point of order, Madam Chair: You asked for a general consensus. I think you got consensus from this side.

Interjection: No, you do not. You do not have consensus.

Mr Perruzza: And you have got some consensus on the other side as well. We are taking up the 10-minute presentation that—

The Vice-Chair: Excuse me, Mr Perruzza, that is not a point of order, I say with respect. Consensus has to involve all three parties and we do not have consensus. I am suggesting that we proceed as we were and that is my ruling. We do not have consensus of all three parties. I am suggesting that we proceed as we agreed to earlier this afternoon, and the next party is the third party with questions for 15 minutes. Mr Franklin, I would, however, ask that you would at least join the table with Mr Niitenberg so that you do not have to move if there are questions to you.

The Chair: With the indulgence of the committee, Mr Franklin, do you have your prepared comments in printed form to share with this committee?

Mr Franklin: I can make them available, Mr Chairman. They are in kind of rough notes now and I can deliver them later on today or tomorrow morning.

The Chair: Fine. I wanted to establish that.

**Mr Jordan:** It is a pleasure to welcome you, Mr Franklin, Mr Niitenberg, and I do not believe I know the other gentleman.

**Mr Franklin:** Perhaps I may just introduce Al Holt, whose responsibility is vice-president of corporate planning.

Mr Jordan: Thank you. I believe for some time, Mr Franklin, you have had the honour and distinction of serving Ontario Hydro, not only as president but as chairman of the corporation. I was interested to know, in that you

have been capable of doing that for a period of time, your personal assessment as to the need for both positions, or can in fact the president fulfil the duties as chair and president, as you see it?

Mr Franklin: I think the history of Ontario Hydro has been that sometimes the chair and president have been combined and sometimes they have been separated. I have had the chair now for three years and the presidency for five, and I hope that I have conducted them both to the satisfaction of the board and the government.

There is no question that it is a hectic pace, that it does demand a lot of your time and your personal time. I think it really depends upon the degree of activity that would be involved with regard to interfacing with the government.

When Mr Campbell was the chairman and I was the president, we kind of interfaced with the government together, and so there was not a great change in the amount of time as president that I had to bring to the chair under that kind of working relationship between the chairman and the president. If a new chairman were to come in and the duties were separated, then I think it depends upon the kind of relationship between the chairman and the president as to how much the president would be involved in these interface responsibilities.

To answer your question more directly, I have done it for three years. It has been a hectic three years. It could go on for longer or it could be separated. I do not think there is a fixed blueprint that you would want to use.

Mrs Marland: I have a question to the minister. You said earlier this afternoon that there is no immediate problem when we were talking about demand and supply. You said there is no immediate problem. You said we could not run the fossil fuel stations because of emissions. You said that nuclear stations are not reliable. I would like to hear why you are saying nuclear stations are not reliable.

Mr Perruzza: Mr Chairman, a point of procedure—

The Chair: I will quickly listen to your point of procedure if you will make it quickly.

Mr Perruzza: Yes, I am going to make it quickly. You asked the ministry staff to come before us to make a presentation and to—

The Chair: No, Mr Perruzza, the committee orders up its own business and the committee requests the presence of individuals. The minister does not do that. Her staff are here to assist her. That is the custom and procedure. That is the way I would like to leave it. Proceed, please. Mrs Marland has completed her question?

Mrs Marland: I have.

Hon Mrs Carter: While I think it is true to say there is no immediate problem with supply, we are in a recession and that may not continue. To say that the nuclear power stations were not as reliable as previously hoped, they are, I believe, functioning at about 62% of capacity on average at the moment. There certainly have been problems. We have had some repaired and others have developed problems. Maybe Mr Franklin would like to enlarge on that.

Mrs Marland: Excuse me, Mr Chairman. With respect, I am asking the minister about her statement. Her

statement is very significant because she is the Minister of Energy.

The Chair: I understood your question. you have the right to ask a question.

Mrs Marland: So I am asking about her statement. She said that nuclear stations are not reliable and it is such a major statement that I want to know why she said it.

Hon Mrs Carter: I think the facts are there, Mrs Marland, with respect, that as the years go on the performance of the stations seems to gradually dwindle. Now this was not foreseen, but this is what is happening in practice. So Hydro is being faced with problems it was not expecting in this regard.

Mrs Marland: Can you give examples of where the problems are that are making the nuclear supply unreliable?

Hon Mrs Carter: I am afraid I do not really have chapter and verse in my head, but I know there are problems with some of the—

Mr Daigeler: Can you give that to us later on?

**Hon Mrs Carter:** We could get chapter and verse, but certainly there are ongoing problems.

Mr Perruzza: Mr Chairman, Mrs Marland had the floor. You have allowed an interjection from Mr Daigeler.

The Chair: Mr Perruzza, some day you may be fortunate enough to be Chairman. I will thank you to go through the Chair and I am sure Mr Daigeler will be so apprised, as well. Please proceed.

1620

Hon Mrs Carter: As I say, the average efficiency does seem to have been decreasing in recent years; there have been unforeseen problems. Even with the Darlington reactors, which, as you know, are just gradually coming on stream, we have had problems with one of those that was supposed to be functioning. Actually, there were problems with, I believe, a fuel bundle that became stuck or something. So that has not been contributing as much as was expected and has been causing problems. Even the newest reactors are not trouble free, as had been hoped.

Mrs Marland: Earlier today, when you lumped nuclear generation in Ontario into the problems associated with Three Mile Island and Chernobyl, you said you did not know what the differences were, yet you made another major statement. If you are saying that something is not reliable and you are relating our Candu reactors to Chernobyl and Three Mile Island, I need to know on what basis you are making these statements as Minister of Energy.

Hon Mrs Carter: I think you are reading rather a lot into what I said. I did not say they were the same. Candu is different; it has several important differences from other types of reactor. But that does not mean to say there are not still problems that could occur and which could be very disastrous if the right—or wrong—combination of events occurred. Because in any case we have human judgement and human error and people who are human working these things, and we are still dealing with what is

inherently a very dangerous technology. There is no doubt about that, whichever particular system we employ.

I do believe the Candu is the best; we do have a good record. If I had become Minister of Energy and I had believed that these things were an imminent menace, then I would not have agreed to a policy that said we would keep the existing stations running. I am not saying I am expecting an imminent disaster. On the other hand, I am saying this technology is inherently dangerous. Hydro very rightly takes all kinds of precautions to make sure nothing untoward occurs. Still, residually, there is a very small possibility of something going badly wrong. Whatever the difference between Candu and the other types of reactor, we cannot rule that out, not absolutely. I am not saying it is likely, but we cannot rule it out.

Mrs Marland: You are saying nuclear stations are not reliable, and I cannot seem to get the answer from you as to why you say that.

Hon Mrs Carter: They are not reliable as far as running 100% efficiency goes; this is a different question, the safety, of course.

Mrs Marland: And you are saying they are unsafe as well.

Hon Mrs Carter: There is that possibility. It is the thought people have at the back of their minds. But that is not the main reason we are pursuing the policies we are pursuing.

Mrs Marland: Would you agree that on the subject of nuclear generation there has to be more than just thoughts, that there have to be basic data to support your statements?

Hon Mrs Carter: To which statements are you referring?

Mrs Marland: Any statement to do with nuclear generation. Would you agree that you cannot just philosophically be opposed to something, that you have to have empirical data that support your position and your argument?

Hon Mrs Carter: You are making the assumption that I am saying all this off the top of my head. That is not the case.

Mrs Marland: With respect, I am not suggesting it is off the top of your head, but when I ask you for specific answers you are not giving them to me, so I have to assume that it is off the top of your head because you are not giving me examples in the answers.

Hon Mrs Carter: But we are in this province having an environmental assessment to look into the basis of our means of producing power, and I do not see it, as some people seem to see it, as just a set-to between nuclear and the rest. I hope it is going to be a very constructive exercise in looking at all the different possibilities we have in this province, including saving energy by greater efficiency and so on. But we are not prejudging the results of that. As you know, we are continuing with that and—

Mrs Marland: But Minister, if you are-

The Chair: Please, Mrs Marland, let the minister finish.

Hon Mrs Carter: I would like to ask the deputy minister to call on a member of staff to enlarge on some of this

Mrs Marland: Excuse me, Mr Chairman. My question is to the minister. It is not a question that staff can answer, because it was not a statement made by staff; it was a statement made by the minister.

The Chair: Mrs Marland, you may interject to suggest that you are not interested in the response from staff, but we cannot suggest solely that the minister be limited in her ability to call her staff. After all, that is one of the reasons they are here.

Mrs Marland: It was not a staff statement.

The Chair: I do not wish to debate with you, either. The point is that if you do not wish to have the staff respond, that is fine. The minister has suggested she would like that deferred and you have indicated you would prefer not. It can be left as simple as that. You have a few more minutes if you would like to proceed with another question.

Mrs Marland: On the subject of energy from waste, the minister talked about the necessity of the review for the economies and everything else that is related; you talked about tipping fees and so forth. I want to get back to this question: If the economies are there for energy from waste facilities, if the tipping fees are whatever your ministry decides they need to be in order to make it economically sound, do you support energy from waste?

Hon Mrs Carter: I do not think it is so much whether one supports energy from waste or not. You see, the first objective we have, the first of the 3Rs, is reduction in waste. In other words, we are taking a different view of waste. We are saying that all this stuff we see here—these cans, these bottles, this glass, this vegetable matter, whatever—can be used in some better way. We do not need to call it garbage. We can be constructive about it and say here is the raw material for something. In the case of the wet waste, obviously it is fertilizer; glass can be melted down and remade, cans and so on. What we are saying is that we want to look at reducing garbage to the absolute point where we cannot reduce it any more—

Mrs Marland: I understand that. When you get down to that last bit of garbage, would you burn it?

Hon Mrs Carter: —and then we might find that energy from waste does make sense for some categories. But of course, even then we have to consider the environmental aspect of it and make sure we are not burning anything so that we end up with pollution, so that we are just transmuting the problem rather than solving it.

With tires, for example, somebody wants to microwave them—I do not know whether you would call that burning them or not—or you can use them, it has been suggested, in a cement factory, as part of the fuel for that. It may be that that kind of thing might be valid, but we need to look into that further and meanwhile we do not want to be committing quantities of waste to energy from waste plants that could probably be better disposed of in some other way.

Mr Jordan: I think the question really is, after the waste has been recycled and so on, would you agree that the residue that is left could be burned as a means of generating steam for the purpose of generating electricity?

Hon Mrs Carter: I think when we get to that point the question is the environmental one, as to whether we can do this with complete environmental safety.

Ms Haslam: I love to look back at newspaper articles, and this one was really interesting to me:

"In embarking on a future with less dependence on nuclear energy, Ontario is joining an international trend. Six nations—Austria, Italy, the Philippines, Poland, Sweden and Yugoslavia—have taken the radical step of announcing a phasing-out of their nuclear plants. Four others, along with the Russian republic, have announced nuclear moratoriums similar to Ontario's."

Some "see a motherlode of potential contracts from the move.... Between conservation and non-utility generation, there is no problem filling the gap left by the nuclear moratorium."...

"'If you lift up the rug and look underneath, you find that there is a tremendous amount of co-generation capacity in industry.'"

What I would like to know is, as the \$240 million—

The Chair: If you could attribute that article, it would be helpful.

Ms Haslam: That was the Globe and Mail, 24 November, "Ontario Hydro Faces Reversal of Energy Policies." That came from the researcher assigned to the committee.

I asked where the \$240 million was going. As it was not going into the ad campaign and the engineers over there—and the Hydro people are now here—I would like to know what concrete projects there are out of that \$240 million. Are there places where you have that \$240 million slotted, concrete projects?

1630

The Chair: Do you understand the nature of the question?

Mr Franklin: Yes, I do.

The Chair: He was not here when it was raised, but I think he understands it. If you are comfortable, proceed, please.

Mr Franklin: The \$240 million that has been reallocated from the design and engineering, the conceptual work for a Candu station, has been switched to our energy management branch. That \$240 million was to be spent over three years. We are now in the design stage of new programs which will be funded from that \$240 million. I cannot tell you specifically what the \$240 million will be used for, but I can give you some ideas of how we are going to do it.

First, we are launching a very much heightened energy audit program—energy audits of homes and businesses and other institutions—in order to identify where additional savings could be made in energy savings.

Ms Haslam: On a point of information, Mr Chair: When he mentions something, could I ask him a specific

or do you want me to wait until he is done and then ask my specific?

The Chair: I think the two of you can get into a comfortable exchange.

**Ms Haslam:** Oh, good. That is my favourite way.

The Chair: As long as you go through the Chair, I have no problems.

Ms Haslam: If I may ask a supplementary, you mentioned homes. Do you have any details about how you are going to do that?

Mr Franklin: No, not yet. We do have an energy audit program for homes now, and so do the municipal utilities, but what we are looking for is perhaps doing more of them sooner in order to get more complete coverage in a quicker period of time. Some of the money will be allocated towards two different lighting programs, one in the commercial sector and, again, one for residential usage.

Ms Haslam: In commercial, are you talking about the new lights on highways, the new yellow? Is that a project where you could infuse some money for that type of municipal—

Mr Franklin: We already have a municipal lighting program that is available to municipalities in Ontario. It has been very successful, as a matter of fact, and we continue to promote that. I do not know of any change or acceleration of that program. The ones I was thinking more about were in office buildings and in industrial locations.

With me today is the vice-president of energy management. If you like, he could probably give you a more complete answer to your question about how these funds are tentatively being reallocated to new programs.

**Ms Haslam:** My question basically was: Are there concrete projects? The short answer is that there are concrete projects for the \$240 million.

Mr Franklin: There are concrete programs under development for the additional \$240 million. We wanted to direct that money either into an enhancement of existing programs or preferably new programs.

Mr Jamison: My question deals with supply. There has been a scare about blackouts lately. I would like to know how Hydro's record on system reliability compares to other jurisdictions, such as Quebec and Michigan, say, New York state; how we stand as far as that goes.

Mr Franklin: I can answer that generally and perhaps Mr Niitenberg, who is charge of operations, can flesh it out. The reliability of Ontario's system is better than Hydro-Québec's, for instance, the one you mentioned. That is not to disparage Hydro-Québec. They happen to have a transmission system and a generation system where the generation is way up north and the use of electricity is way in the south, with long ribbons of transmission in between. When you have that kind of situation in difficult climatic conditions, as Quebec does, then you have reliability problems. Our generation is more strategically located around the province and our transmission lines are generally shorter, so we have not had the experience as badly as Hydro-Québec has had.

I do not know whether Mr Niitenberg can respond more fully to your question. You are looking at system reliability as the customer sees it, I assume.

Mr Niitenberg: Over the last four years our generation reserve has been reduced; this has been the case because of a much higher than predicted load growth in the previous five- or six-year period. So we went into 1989 and 1990 with fairly low reserves in terms of generating capacity. Over the next four years, the reserves will be increasing. This year the reserve margin will increase because of Darlington production and next year another Darlington unit will come in, so we will be better off from a generation point of view.

As far as customer delivery point reliability is concerned, we are still considerably above average as compared to Canadian utilities.

Mrs McLeod: I had earlier asked a question of the minister, and I was asked to redirect the question to Mr Franklin when he was here, so I will do that at this time.

Mr Franklin, it is our understanding that the government has essentially directed that there not be feasibility studies done on sites for potential new nuclear generators and that you have diverted those funds at present. Could you tell me whether research is being carried out on other forms of generation, of new generation, as you were proposing to do when the DSP was set forward?

Mr Franklin: As a result of a government directive, we have ceased all of what we call definition work on a Candu station, that is, the environmental assessment gathering work as well as preliminary engineering work. That has been stopped and the moneys, as I mentioned to Ms Haslam, has been diverted there. We continue to do definition work on hydraulic stations, for instance, gathering the environmental assessment material needed in order to support an application. For instance, we have filed an EA for the upgrade of the Niagara River, we have been doing work on the Little Jackfish River and other hydraulic sites like that. We have been doing some modest amount of work with regard to combustion gas turbines as well.

I guess the short answer is that we have not put a moratorium on other kinds of technology and continue to do a modest amount in other technologies.

Mrs McLeod: Can I ask you then, because, as you know, I am very familiar with the amount of work that went into ensuring that the environmental assessment process that was set out to review the DSP would be very objective and would look carefully at your plan from all aspects: Is it your belief that, in having a moratorium on the work that is being done on only one of those alternatives while work on the other potential new generation alternatives continues, the outcome of the review of the plan is essentially being prejudged?

Mr Franklin: No. I do not think it is being prejudged. I think there is a question of timing. We had expected to do this kind of work in parallel with the main hearing. We are not doing that now, and I think what it means is that we will have to do it in series if the hearing decides that nuclear is the right technology and the government agrees

with that. I think it is not so much prejudicing the choice of technologies but it may have a constraint on time.

Mrs McLeod: I will leave the questioning with perhaps just a statement, because I recognize the sensitivity of being able to respond. I guess it is a concern from an opposition perspective that the government having given a directive that applies to only one form of alternative generation does constitute at least a suggestion of prejudging, which causes us in turn to be very concerned about the dollars that are being spent and the time that is being taken on the environmental assessment process if in fact the government is not receptive to considering whatever recommendations that panel brings.

#### 1640

I would like to go on to a second question, because we have a number of questions and I know we will run out of time. Perhaps I could direct this question to the minister, and she may wish in turn to call on Mr Franklin for some further comment. There have been, as you indicated a little bit earlier, a number of articles in the papers that have related to the way in which electricity rates are set, the inclusion of the capital costs for Darlington. You cited one of those articles a little bit earlier this afternoon.

One part of the article that you cited suggested that the government might act on an Ontario Energy Board recommendation and change the way in which electricity rates are established. Given the fact that Ontario Hydro, by law, is independent in the setting of electricity rates and given also your statement of raising some real questions about the establishment of electricity rates, I would like to ask, Minister, whether it is your intention to look at intervening directly in the establishment of electricity rates and, if so, if you are planning to bring in changes to the Power Corporation Act.

Hon Mrs Carter: I have asked my staff to review the report and consider all the board recommendations and comments from Ontario Hydro. I do not think I can give you a dogmatic answer on that straight away.

Mrs McLeod: We do recognize then that Ontario Hydro is independent in the establishment of electricity rates and there is no intent to—

Hon Mrs Carter: It certainly is at the moment, but this is something that may be under review.

Mrs McLeod: I will yield the floor to my colleague.

The Chair: I am not in any political party's time frame at the moment. I am just having a general list of speakers. I have Mr Jordan on it, but if you wish to continue in rotation, I am at your guidance.

**Mrs Marland:** Why do we not go back to 15 minutes. They were finished, apparently.

The Chair: That is fine. We will proceed on that basis. Mr McGuinty.

Mr McGuinty: Arising from Mrs McLeod's question, I have a question regarding buyback rates. Can you shed any light, please, Minister, on any advice or direction you have given to Ontario Hydro with respect to increasing the buyback rates?

Hon Mrs Carter: I believe they have already increased them to some degree on small scale renewables. This is certainly something we are looking at very seriously, because I think the people who produce this power should at least get equivalent payback to what is being paid for regular power. This is certainly something that we are working on, that we shall be discussing more with Ontario Hydro.

Mr McGuinty: Arising out of that then, I will address this question to Mr Franklin and take advantage of his presence here. The Power Corporation Act, as I understand it, requires that Ontario Hydro supply power at cost. That is one particular demand that is placed on it. The other demand, as I understand it, is that Hydro respect government policy. I see a potential conflict there in terms of increasing buyback rates and supplying power at cost. I wonder if you see that potential conflict. Would you comment on that for us, please?

Mr Franklin: The buyback rates of Ontario Hydro are based upon its avoided costs, and the demand/supply plan hearing that we are about to enter will determine whether or not our avoided costs calculation is fair. It is something we review every year and we have been moving them up every year, as our avoided costs change.

The Power Corporation Act requires Ontario Hydro to respect an order in council giving it directives. As I understand that, we are to leave no stone unturned in order to respond positively to a direction from the government. I think the phraseology that was chosen there was to ensure that the directors of Ontario Hydro always had the freedom, as a result of fiduciary responsibilities, to accept the directive or to respond that they were not able to. I think that that will be a determination in each director's own mind at the time they are faced with a particular directive order.

My own view is that if the board was to respond positively only with regard to things they would have done anyway, then there was no need for the directive power. Clearly, the directive power was to require Ontario Hydro to do something that it would not otherwise have done itself, and for the directors to so vote. It will become a matter of conscience for each of those directors as to whether it violates their individual fiduciary responsibilities.

Mr McGuinty: I take it from that then that the most recent increase has not given rise to such a twinge of conscience?

Mr Franklin: Increase in what, sir? Mr McGuinty: The buyback rate.

Mr Franklin: The increase in the buyback rate was a decision by the board of directors, without any comment from the ministry or the government. It was our annual review that we do every year and we increased it because we felt that that was a change in our avoided costs.

Mr Daigeler: This question is really directed to the minister and it relates to this directed reallocation of moneys regarding nuclear development. I think that directive from you, Minister, was certainly a departure from the

previous understanding of the independence of Ontario Hydro or a somewhat arm's-length relationship.

Can you describe for us how you perceive the relationship between the Ontario government and Ontario Hydro? Are you in future planning to intervene in the same way in requesting Ontario Hydro to allocate certain staff and spend its money in particular ways? I think it was implied in Mrs McLeod's earlier question: Are you looking at changes to the Power Corporation Act?

Hon Mrs Carter: We do see our relationship with Ontario Hydro as being a co-operative one. We want to work with them in a friendly way. But we have been asked to review the options for strengthening Hydro accountability and responsiveness to the government and to the legislation and the people of Ontario. I think the demand/supply plan hearings will be useful in this regard. Nominally at least, the Ministry of Energy is in a position of giving directives to Ontario Hydro. I think that has always been the case, and it may be that different governments have viewed that in different ways. But that is the position. We are certainly willing to review the Power Corporation Act if that appears to be necessary.

Mr Daigeler: Is this presently under way?

Hon Mrs Carter: No, it is not.

Mr Jordan: Mr Franklin, I am a bit concerned over that fact that over the years we have developed in the province of Ontario what I would like to refer to as an electrical industry for the province and it would appear now that, if we follow the format of our new government, we are going to be pointed towards providing an electrical service, something that our old sign used to hang out, saying, "Hydro is yours—use it!"

The people of Ontario did make good use of it and I do not believe they were wasteful. I think they made good use of it but maybe they made a more diversified use of it than some of these other countries that we are being compared with. I think we did go ahead and develop the technology to be able to keep that in front of the people of Ontario, that we do have the expertise to supply you with the electricity required and we would like to do that. I am wondering how comfortable a corporation can be when its product is being displayed as something that is causing a real problem with the environment and "Don't use it unless you have to."

1650

I am not talking about conservation and efficiency. We always had that. I know, as I said earlier, since 1967 we went through conservation of energy many times through insulation of homes, commercial buildings, a new style of motors for farms, all those kinds of things. We were always conscious of that but we were more conscious that we maintained an electrical industry that this province was built on.

I see it now in jeopardy if we are going to try to convince industry that it is welcome in Ontario with an abundance of power, because we are going to have it because he did not use it and he did not use it. That is really what I see happening. I do not know if it is a fair question, but I

am not comfortable with it. I was wondering how you as a corporation feel. Do you see it as a turnaround?

Mr Franklin: I think you are quite right in almost all your remarks, Mr Jordan. Utilities, generally speaking, up until the 1980s saw themselves as a supplier of an electrical system and they took great pride in doing so. It resulted in having abundant electricity at a reasonable price. I think it is also true to say that, since the 1980s, electricity utilities have been more customer-focused. In that regard I am saying to you that they started to look at how they could best meet the customer's requirements.

Was it more productive to meet that from the customer's point of view by simply increasing supply? Or was there a way of showing customers how they could meet their requirements by using no more electricity or indeed even less electricity? We have been planning and pursuing a policy of what is right for the customer. If we can meet customers' demands by an alternative way, by showing how they could meet their demands without using electricity or by using less of the electricity, then that is the right thing to do. If we can show that a heat pump is better than a baseboard heater and it is in their economic interests to do so, then that is our obligation.

But we became focused on the customer and how to meet that customer's need, rather than simply saying that every continued requirement for demand must be met by increase in supply. We do not pursue conservation or energy efficiency for its own sake. We believe that our mandate is to pursue it to the extent that it is more economic than providing supply. So in some respects we have moved, and most utilities have by the way, from being simply suppliers of kilowatt-hours to suppliers of energy service, bringing into the equation total value to our customer.

I believe that if you do that, that if you try to meet demand the most efficient way for your customer and do not lose sight of both alternatives, the reduction of the demand through energy efficiency or conservation or indeed the provision of supply in the most economic way, that is the best way for us to fulfil our mandate.

Mr Jordan: I appreciate your policy of providing what you think is best for the customer. I believe that was again always the policy generally. But what I am concerned about is that we can sort of con ourselves into believing that, rather than having to come up with new product, if you will, new generation facilities, we can in fact through negative marketing or conservation have energy available for new uses that would have been used inefficiently in other ways.

If the province is going to continue to grow and expand and be a leader in Canada as it has been, I would have to see some figures that said these are the megawatts we can save and these are the megawatts that we need to keep Ontario humming, and I have yet to see that anywhere.

Mr Franklin: If I could point you to a document that says that in spades, I would commend to you the reading of our demand-supply plan. The demand-supply plan does not envisage responding to the demand in a single way. It is a balanced approach. We have examined for five years

how best to meet the growing demand for electricity in this province and we have come to certain fundamental conclusions

One is that we should try to meet as much of that growing demand by rehabilitating our plant and ensuring that we can extend the useful life of it for as long as we can most efficiently. We have said that we should embark on an energy efficiency and conservation program which is economically based, where it is less expensive to diminish the demand than it is to build new supply for that demand.

We have said that we should exploit to the extent that is economically justified the production of electricity by cogeneration or by parallel generators. We have said that we should get as much of the remaining economic hydraulic that is still available in the province to go towards the supply side of it. We have produced a contract with Manitoba for 1,000 megawatts of power which we believe again meets the economic test.

It is only when we have done all of those economic things first that we believe we should turn to the next supply issue, which is a major generating station, and in that case, we have brought balance as well to the plan. We have not said we should rely on any single technology.

We have said for the base load, in our opinion, the most economic and environmentally sound is to use nuclear power. For the intermediate load, we believe we should use coal properly equipped with scrubbers, and to that extent we can rely on our existing coal stations to handle that once they are so equipped. We say that if demand continues to grow beyond that, we should use gas turbines for the very few hours a week or day that you need it for peak load.

I really would commend you the plan, because I think it addresses your concerns. It predicts, as best we can, what the load will be. It predicts how much we can achieve in meeting that by conservation, by cogeneration, by rehabilitating our existing plant, by buying power either for cogeneration or from Manitoba, and finally how much we think is left over that is needed for a major generating station.

Mr Jordan: So it is quite clear that the best way to provide the base load, along with all these other types of supply, at the present time is with nuclear generation.

Mr Franklin: We think that that is the best from the point of view of trading off both the cost and the environmental impacts. There is no benign way to generate electricity. They all have their environmental impact cost. If we had relied solely on fossil fuel, then we believe that we could not meet the impending CO<sub>2</sub> limitations which are bound to come, probably in this decade. This is a tradeoff. As I say, there is no benign way. We think it is important that we choose a technology. We recommend nuclear for the reasons that are contained in our plan, but the more important decision is that we choose a technology.

Mrs Marland: Mr Franklin, as you know, you and I have discussed scrubbers before a number of times with having the Lakeview generating plant in my riding. I am always happy to hear you say when they are properly

equipped with scrubbers and I recognize the financial constraints on doing that quickly.

Earlier this afternoon, the Minister of Energy made some very significant statements. In the discussion of nuclear generation she referred to Three Mile Island and Chernobyl. Frankly, I am very concerned about when we deal with this subject with the public that anybody in a position of responsibility gets into fear-mongering, because it is so easy to upset the public unnecessarily on any matter whatsoever, let alone nuclear generation. I believe the public has enough to cope with in today's life without unnecessary concerns.

Even with an NDP government moratorium on nuclear generation, according to the minister's statement, some time next year about 60% of our Ontario electricity supplies will be from nuclear power. So I have to ask you, in your position, how you feel about the suggestion that the risk with nuclear generation is based on the comparison with Three Mile Island and Chernobyl, the risk in Ontario today?

1700

Mr Franklin: I believe I will let my colleague answer that because he is more familiar with the actual situation at Three Mile Island, which pre-dated my arriving at Ontario Hydro, and anyway, he is an engineer and I am not.

My own view of it is that the station at Three Mile Island is considerably different from a Candu station. It is a light water reactor as opposed to a heavy water reactor. If you have a dispassionate view of what happened at Three Mile Island, I do not think it was anywhere in the order of the Chernobyl situation.

The Chernobyl station again is a different technology than ours. I visited the Chernobyl station since that accident. I have seen it up close. I do not pretend to be an engineer, but I did remark that there is quite some difference. It did not have a containment building of any kind. It had an operating system which acted at the same time as its safety system and of course when it was decommissioned, so was the safety system.

The safety system I believe worked in 12 seconds, when it worked, and of course the nuclear reactor ran away in something less than two, so if the person who was sitting there with a finger on the button ready to push it would have been too late in any case. I think there were eight operating criteria that had been violated. You almost had to set out to make this thing happen, and the reactor tried desperately to compensate for that.

We are dealing in a country where the public oversight is entirely different than it is in Ontario and in Canada, thank goodness. I am told, and I will have to turn this over now to Mr Niitenberg, that the type of accident that happened in Chernobyl and that happened in Three Mile Island could not happen here in Ontario. I am not saying accidents cannot happen, but I am told that those kinds of accidents cannot happen.

Mr Niitenberg: Our system, the Candu system, really is designed in terms of defence in depth and it has the basic assumption that people will make errors and components will fail, so a number of safety systems have been

designed into it, the main one being a strong containment in a vacuum building. These are components that were not present in Chernobyl.

I would like to draw attention to one key difference, and I have also visited the largest RMBK which is Ignalina. It is a 1,500-megawatt, Russian-designed station after the Chernobyl design, and the main difference between that and Candu is that our moderator, or what surrounds the fuel channels, is heavy water. Theirs is graphite or very highly refined carbon. The difference really is pretty fundamental. Carbon burns and water does not.

So we have a considerably different design. We have considerably different control systems and protection systems.

Mrs Marland: And the fuel rods are horizontal in the Candu, are they not?

Mr Niitenberg: Yes.

The Chair: I appreciate that. Before I recognize Mr Charlton, I just wish to advise the committee that we have spent two hours on vote 1403 and that we have three hours remaining in estimates. I just bring that to the committee's attention. Mr Charlton.

Mr Charlton: Mr Franklin, we have had a number of exchanges over the years; sometimes we have agreed, sometimes we have not quite agreed. But I have been interested in the line of questioning that has been pursued this afternoon and I would suggest my impression is that perhaps the opposition is not utilizing you very well here today in terms of the issues that it was pursuing earlier in the day. So perhaps I will help them out by pursuing with you some of the issues they pursued with the minister earlier.

Mr Jordan suggested to you in a question a few moments ago that—it was a question around whether or not it was dreaming—I do not know if that was the exact word that he used—but whether or not it was reasonable to assume that you could go into the future without any supply options in addition to the efficiency that we have talked about. Has the government at any time ever suggested to you or any other officials at Ontario Hydro that there was a future with no new supply options?

Mr Franklin: I do not recall any such suggestion, and I think that the difference between us, if there is a difference, is to what degree can we rely on conservation and non-utility generation and for how long can we postpone the date when we will need another generating station.

Mr Charlton: That is precisely my understanding of what the government's new energy direction is. So having said that, would it be fair as well to say that if you extend that difference between the government and the DSP that is now in environmental assessment, the difference is in the assessment of the amounts that you get from the major pieces in the mix, rather than a fundamental difference about the need for a mix?

Mr Franklin: I believe that is so, but I think it has also been made clear that if one can meet the generation mix of the future without nuclear, this government would prefer to do so.

Mr Charlton: That is correct and I do not think the minister has hidden that at all. I think the impression the opposition was trying to leave, and that leads me to my next question, was that some people out there in this society, and specifically some large industrial consumers, have expressed the view that perhaps the government's policy, the new direction, is in fact leading this province down the road to an unreliable electrical system and that we may face brownouts and blackouts down the road.

Now, my understanding again is that the government's policy was discussed with you at length prior to its announcement, and I do not perceive the approach to a different mix as necessarily an approach to disaster, provided that when push comes to shove and a decision has to be made somewhere down the road, that the decision is made. Is it your opinion that the new direction, including the moratorium on nuclear development, is careening us down a road to disaster in Ontario in terms of reliability?

Mr Franklin: I think that we are talking about the post-2000 era, because that is when new generation will come in. I think that we have to be careful about the timing, that we have to be prepared for the alternative in case load grows more than the 2.5% that we talk about, that we do not get as much from conservation as we thought, that the non-utility generators cannot produce as much as we thought. I think there is a question of being prepared for those eventualities.

The concern we have is that if we postpone too long being prepared for a nuclear option, then we will in effect delay the opportunity for being able to implement that option and therefore we will have to bring in other forms, in our opinion less economic forms—gas turbines, for instance.

So I think it is a question more of economics and how much it may cost if it is, rather than whether or not we will have reliable supply. But it is our view that we cannot dally for ever in making the judgement about a menu of technologies and a menu of sites without jeopardizing the economics of our system.

1710

Mr Charlton: I think we agree on that precisely and I guess if I can interpret what you are saying, and then you can comment on my interpretation, as long as we are monitoring our progress carefully, in consultation with you people at Hydro on conservation, on non-utility generation and on the hydraulic options that are part of your plan, that we have asked you to speed up and so on and so forth, as along as we are dealing with that on a monthly and an annual basis and understanding all the time where we are at and whether we are ahead of target or behind target and staying in the game, is there any real jeopardy in the different approach that we have suggested, as long as that monitoring and consultation goes on?

Mr Franklin: I think the one jeopardy that we could face if we procrastinated too long or took too long in our deliberations is whether or not the Candu technology will still be available to us. Certainly at Ontario Hydro, because we have so many units to run, there will always be a core of nuclear capability and nuclear expertise. Certainly for

the next seven years, as we have an agreement with AECL to participate in the funding of research and the federal government has agreed to match its appropriate sums, it is not a question of that being lost as well in the seven-year period.

I cannot speak for the individual suppliers of valves and tubes and things like that. Whenever I meet them, they naturally tell me that they are hanging on by their fingertips and are concerned that they will not be there when we need them. That is not a judgement that I can make, frankly, whether that is so or not. I mean, that may be nothing more than good marketing by these people.

But I think except for that particular concern, then as long as we monitor carefully and as long as we track a load growth which we are predicting at 2.5% and make sure that it does not double that or something, as it did in the past, and as long as we are able to make timely decisions—and I say that because in our society today one can derail even the best-intentioned organization of Ontario Hydro or the government, through the courts—as long as we do not face that kind of sidetrack, then I think your assumptions are right.

Mr Holt has been wanting to interject and if you do not mind, I would like him to comment.

Mr Holt: I just wanted to comment on a couple of other parts of the problem that have not been mentioned. Electricity systems, plants and facilities do get older. The minister referred earlier to the fact that nuclear plants were starting to decline in performance because of their age, but those plants are only in the order of 10 to 15 years old. Some plants and facilities that we have are as old as the company itself. They are in the 80-year age, and they are going to be retired like anything else and any other facilities over the time frame. So when we come to replace those plants, we have to look at whether the same technology is appropriate or something different.

The other factors that affect our planning are unknowns regarding such matters as federal immigration policies, and we know that people come to Ontario. There is evidence that if pollution control legislation affects industries, there may be a switch away from their use of fossil fuel to electricity, which some people see as more benign, and when you put all that into the planning question, then you can quickly move yourself towards the higher load growth and in the demand/supply plan, which Mr Franklin referred to, the higher load growth does require major new

supply soon after the turn of the century.

If hearings continue—and they are taking longer than we had initially expected, for a variety of reasons—and if that time does go by and we do not start major new plants until after the mid-1990s, then it is very clear that you cannot bring them into service until soon after the year 2000. It is going to be after 2005 or close to 2010. Therefore, if all that does come about and even if we get the enhanced energy efficiency gains and contributions from private power generators, we could still have difficulty in meeting supply. Our reliability levels can quickly go from being very adequate to being inadequate, which as Mr Niitenberg mentioned, has happened from 1986 to 1990. So it is a very dynamic planning scene. Coupled with that

are huge lead times of 12, 14 years to put major supply in place. And that is the dilemma we face.

Mr Charlton: I think we all understand, though, that the worst-case scenario, which is what you have just described, would be difficult to meet under anybody's plan.

Mr Franklin: Perhaps, but we have managed to do it for 84 years and we have had some surprises along the way.

**Mr** Charlton: Yes, but you have never had the 25-year projection of a worst-case scenario involved.

Mr Franklin: No. but we have had acceleration in growth. We have had early retirements of plant and things like that which Mr Holt refers to, so it is possible to do. Mr Holt said we may not have the supply post the year 2000; I believe we would. It might be a more expensive supply; it might be gas turbines. The only caveat I have there too is, with new legislation or new limits coming on CO2, will we be able to use fossil fuels in the future? I am not certain. Second, the kind of quantities we are talking about would probably increase the use of, say, natural gas in Ontario by 40% and it is questionable whether you can expect to have pipeline capacity very quickly, because pipelines take a while to build as well. I do not want to create panic either because I am interested in industry remaining in this province and coming to this province because that is what, after all, our quality of life in some respects is relying on, but I think we have to recognize that in 25 years there are tremendous uncertainties. It is not an exact science.

Mr Charlton: I think we all understand that. I think the point that has to be made for the committee here is that or you were going to proceed in terms of the DSP in terms of planning and preparation for the future, not at the high load growth but at the middle load growth and that the problems you are talking about in timing, if we end up in the high load growth, would have existed for Hydro. Whether you could have accomplished it or not as you have done in the past is another question, but the problems in terms of timing to have to up your plans would have existed in either scenario.

Mr Holt: I just wanted to add that planning is a pretty inexact science. I was involved in 1979 and 1980 in doing forecasts of load forward and, you know, in 1979 we forecast the load for 1989, as we do, 10 years forward. I was looking at that forecast the other day and we were right on. We entirely missed the depression of the early 1980s and we missed the recovery at the end of the 1980s, but we hit it right on for 1989. It is very difficult to know what we are going to need in 1990 and the demand/supply plan is not about dealing with the current recession, but is dealing 10, 15 years into the future. That is the only point I was really trying to make.

Mr Charlton: Just one last question and then I will pass it. Mr Jordan mentioned, when he was questioning the minister earlier, that industry depends on reliable supply of electricity and he implied that it was likely that industry was already leaving this province as a result of the government's policies and perceptions of unreliable energy futures in Ontario. So, first of all, are you aware of any industries that have left this province because of unreliability of supply problems, and second,

because it goes back to something you said earlier, Mr Franklin, the other utilities—I should not say the other utilities—some other utilities on this continent are already moving in precisely the same direction that has been set out by the government, in the jurisdictions where these people are reputed to be moving.

1720

Mr Franklin: I am sorry. Which government direction did you mean by that?

Mr Charlton: This government's direction.
Mr Franklin: Moratorium on nuclear, is that—

**Mr Charlton:** No, the whole new energy direction, not just the moratorium on nuclear. Thrust to efficiency; small non-utility generation.

Mr Franklin: I think most utilities have a measure of conservation and energy efficiency in their response to growing demand. There are some like TVA that have completely abandoned energy efficiency and conservation, but there are others that have not, that are still pursuing them in the same way we are, in kind of economic terms.

I do not know personally of an industry that has decided not to invest in Ontario as a result of concern about reliability, but an article came across my desk this afternoon which I did not have a chance to read through in its entirety. I think it was in Electricity Today or something, a magazine like that, quoting extensively from the major power users of Ontario who say that is exactly what is going on today. I do not know whether it is credible or not. I am just reporting what I was reading in that magazine.

Mr Charlton: But you are not aware of any?

Mr Franklin: I am not aware of any at the moment, no. I know of an awful lot of companies, though, that expressed concern about it.

The Chair: Your reference to the TVA, that is the Tennessee Valley Authority?

Mr Franklin: Correct.

Mr McGuinty: Mr Franklin, I gather, and I had somewhat of an inkling of this before in any event, that there are significant difficulties associated with forecasting accurately in terms of being able to predict growth and demand for electricity. How can we be satisfied that the mechanisms that are in place now to monitor the effect of the conservation programs are accurate enough or sufficient enough to give us an idea of when we are going to need more facilities?

Mr Franklin: Tracking and measuring the results of energy and conservation programs are exceedingly difficult. We are told that we have the state of the art kind of tracking system, but it is not easy. I think what we are concerned about is that to the extent we can measure each program, we should measure each program, but the ultimate measurement is what is the total load at the end of the day, and that is what I think we want to monitor to make sure that regardless of what is causing it, the amount of demand that we have to meet after energy conservation is available from the capacity of the system.

We are introducing new energy-efficient monitoring systems every day and we will continue to do so, but I

cannot tell you that it is an exact art. It is much like forecasting the future as well. There is a certain amount of estimating.

Mr MacCarthy is here, our vice-president of energy management, and he is the one which I charge on that very same question, "Tell me how much I am getting for my money in energy efficiency?" and he might be able to augment what I have been saying, if you want to hear from him.

Mr McGuinty: Sure, by all means; yes.

Mr MacCarthy: My name is Dane MacCarthy. I am vice-president of the energy management branch. Some of the monitoring mechanisms that we use right now are things like individual metering activities. That is probably the most extensive and the most reliable, where we are pursuing energy efficiency initiatives and we have monitors right in place, meters in place that measure the difference that existed, before and after. Another mechanism we use is an estimate of the average savings associated with, say, an energy-efficient motor. We know the load patterns within a specific industry from the data that we get on the billing system, and so with the introduction of an energyefficient motor, for example, into that industry, assuming it has the load shape that others in that industry have, we can multiply the normal use within that industry and get a calculation. This is typically what is done in other jurisdictions, essentially engineering estimates.

Mr McGuinty: Have you been able to factor in the function of the recession in terms of the diminution of demand?

Mr MacCarthy: The recession has had an interesting effect and I am not sure whether it is entirely working for us or against us. Where the economy is booming, the focus of industry in particular is on additional production and not on energy efficiency. In a recession, they are interested in saving as much as they can, but they do not have a lot of capital to do it, so there is a balancing effect. But our programs provide significant incentives, so if there is a quick payback in a recessionary economy it is still quite attractive.

Mr Franklin: I guess that same kind of reluctance to invest is true of the householder too, who in times of recession is not likely to go out and buy that new refrigerator which is energy efficient, but postpones it for a day when the paycheque is bigger. And so you get kind of contradictory forces working in a recession versus a boom time.

Mr MacCarthy: If I might just continue with the measurements, each of our field representatives, when he is visiting commercial and industrial customers, notes the specific application that took place, their involvement in that process, and we also measure in terms of the system impact so that it is not only the impact at the customer level; it is an impact at the system level. So we have a detailed monitoring system. It is about as good as you can get, but as Mr Franklin said, it is not perfect.

Mrs McLeod: Mr Charlton referred a little bit earlier to the new directions of energy policy of the new government. As I suggested at the beginning of our session, the only new directions that I can determine exist at the present time are a stance on new nuclear generation and a tendency to want to directly intervene in Ontario Hydro. So I am going to return to both of those issues with my question. Minister, I apologize for not having the specific reference before me, but during the sitting of the Legislature in the fall, you made a statement at one point that indicated you had given some directive to Ontario Hydro in terms of the direction of its research money, I think in relationship to AECL. I wonder if you might tell the committee what that directive was.

Hon Mrs Carter: That the money should be used for research on how to improve the existing stations and things of that kind rather than on the development of new ones.

Mrs McLeod: Right, so that is research money being expended not only by Ontario Hydro itself, but being expended by Ontario Hydro through AECL.

Hon Mrs Carter: Right, and also on safety in the nuclear plants.

Mrs McLeod: I wonder if with your agreement if I might then ask Mr Franklin if he could give us some indication of how much money was being contributed by Ontario Hydro to AECL, how that money is being allocated, and specifically whether any portion of those funds is being directed towards the marketing division of AECL.

Mr Franklin: Our expenditure to AECL in support of the research program was at a level of about \$40 million per year. That money was used primarily for work that we wanted with regard to our existing stations. The program that we now have with them has increased that to about \$72 million a year. There was a small portion of that to be earmarked for the Candu 3 type of technology, which is the next phase of Candu technology, but we have since asked that all of our funds be directed towards technological research that would enhance the operation and safety of our existing stations.

Mrs McLeod: So all funds are going to research and none is going to the marketing division.

Mr Franklin: No, we never made any funds, to my knowledge, available to the design and engineering group marketing reactors abroad or indeed in other provinces, that I know of.

Mrs McLeod: I should know this and I have simply forgotten. The branch of AECL that operates out of Mississauga: What is the focus, the range of work they do at that plant?

Mr Niitenberg: Candu ops.

Mr Franklin: They do design and engineering, rather than research.

Mrs McLeod: Of Candu operations, so there would be no dollars allocated to the Mississauga operation.

Mr Franklin: I do not know of any, except where we will contract with them to provide us with engineering services which we would normally do ourselves, but do not have enough people or something like that.

Mrs McLeod: Thank you and I am going to yield the floor. I would like to perhaps serve notice of a question to ask the minister tomorrow, and coming back to some of

Mr Charlton's earlier comments and the fact that I think Mr Charlton was suggesting that a different mix would be possible in the DSP. The discussion that ensued recognized the fact that this mix would obviously take both Ontario Hydro and the Ministry of Energy beyond the targets which they felt were realistic in energy efficiency, and would therefore require, if there was to be a different mix, new generation involving what Mr Franklin has described as potentially less economical alternatives.

I want to relate that back to the minister's indication earlier this afternoon that perhaps a little bit of an increase in Hydro rates would be acceptable, given the fact that we may be looking with these new directions at less economical energy alternatives. I am wondering what impact she will feel that will have on rates and for the sake of estimates, where we have to be a little more specific than just "a little," whether she might tomorrow give us an indication of how much is "a little."

The Chair: I see the minister is making some notes, as are her staff, and she will take that under advisement. Mr McGuinty briefly and then Mr Daigeler. You have about four minutes left.

Mr McGuinty: Mr Franklin, I understand that Hydro is presently purchasing uranium from two sources in Elliot Lake. In addition Hydro is also purchasing uranium from Saskatchewan. I understand as well that the uranium from Saskatchewan is less costly than the uranium being purchased from Elliot Lake. Is that correct?

Mr Franklin: Yes, that is correct.

Mr McGuinty: I understand as well that Hydro has an option to opt out of one of the contracts it has with one of its suppliers at Elliot Lake, and that this option expires at the end of this year. Does Hydro intend to exercise that option?

Mr Franklin: I cannot tell you whether we will or not. It is a question that is under review now by my board and the management, and we have not reached any conclusion.

The Chair: Would it be helpful if Mr Holt was given an opportunity to respond to that?

Mr Holt: No.

The Chair: Okay, I did not think so.

Mr McGuinty: A follow-up to the minister: I understand that the NDP during the course of the campaign and in fact prior to that indicated its position would be that if it formed a government, Ontario Hydro would be directed to purchase 100% of its uranium from Elliot Lake. Do you intend to carry out that commitment?

Hon Mrs Carter: That is a difficult one. We do have problems with the Elliot Lake mines. It seems to me they are less safe in their functioning than some of the others. But on the other hand, of course, we are concerned about the adverse effects of layoffs at those uranium mines last year on the economy of Elliot Lake and the surrounding communities. There has been a \$15-million package of projects announced by the Minister of Northern Development to stimulate job creation and economic diversification.

I understand that the prospects for continuing those mines are not brilliant, although I know the people of Elliot Lake would like that, both costwise and because they do not have much of a future as far as the deposits available are concerned. So Ontario Hydro has been asked to consider what it can do to assist these communities and I hope that when the House is back in session, we shall have some answers to announce on this question.

Mr McGuinty: I gather from that-

The Chair: If Mr Daigeler's question is to get on, I did try to flag you for yielding, but we are just so lucky as a committee that next Thursday we get to do the estimates of the Ministry of Mines, so hold that thought, please.

Mr Daigeler: We have already had a crack at it and Mr Charlton is just coming back. Mr Charlton referred earlier to the fact that the government is monitoring the energy savings, and on the other hand the increase in demand. He asked Mr Franklin whether there was any difficulty with that as long as we were closely watching that, and that it was in balance. My question to the minister is, have you set yourself any kind of timetable or target for that monitoring process, and when will the time come for you to make a decision as to whether in fact we can meet the energy supply in light of the energy savings that may be coming through the initiatives that you put in place? In other words, are you going to monitor for ever? Or are you going to say at any particular point, and when is that point, "No, the demand is going to be higher and we have to make a decision"?

Hon Mrs Carter: We do have an environmental assessment coming up, and I think it will be the job of those people to look at what the position is in this province. I do not want to come to conclusions before we have heard what they have to say.

We are keeping an open-minded approach on this. We are encouraging people to save energy because we think that is environmentally sound as well as sound in other ways. But we are not going to commit ourselves too deeply before we know what the result of those hearings will be. I do not know whether you want to say something

Mr Eliesen: Just to add to what the minister has said. the Ministry of Energy is reviewing this on an active basis. We do plot the current demand trends. We note, for example, that Ontario Hydro, because of the load demand that is taking place, has deferred plans to bring on stream the Hearn generating station for a couple of years. These are gas and combustion turbines units that would be brought in at Hearn because of the low level of demand.

We are monitoring the demand level on one side, and on the other side, we are monitoring the degree to which Ontario Hydro is successful on demand management plus on parallel generation.

If I could deal with parallel generation for a second, we have noted over the last two or three years that Hydro has seen a significant improvement in terms of its objectives of bringing on parallel development. The goals for the year 2000 have increased from about 1,000 megawatts to 1,650, and the current goal that they think is possible is 2,100. So there has been a positive movement on parallel generation.

Similarly, we will be reviewing and monitoring demand management, not only what they are able to do but more specifically what the government is able to do in some of the changes I mentioned earlier, particularly in the housing and transportation areas.

The Chair: Thank you. I do have a list but I do want to thank Mrs McLeod for practising restraint. I know she would like to comment on the transfer of ore from her riding, especially ores from western Canada, but I appreciate that restraint. If I could recognize Mr Jordan and then Mrs Marland.

Mr Jordan: I would just like to question Mr Franklin for a minute. He mentioned the technology and the fact that the engineering staff had been redirected to other duties as requested by the government and, in so doing, the progress on technology for Candu 2 had been brought to a standstill, I believe. Is that right?

Mr Franklin: The expenditures by Ontario Hydro of definition work on the next Candu station has been stopped, yes.

Mr Jordan: No, but also the next stage in upgrading the nuclear station itself.

Mr Franklin: On the research activity that we have, funding with AECL, we are not funding any of their advanced Candu reactor technology.

Mr Jordan: Would you be free to tell us what stage we were at in that technology relative to nuclear plants? Was it going to be a substantial change?

Mr Franklin: My understanding is that that research would not have been utilized in the next nuclear station or any of the ones after that.

Mr Jordan: Would we be looking at something completely different?

Mr Franklin: No, the basic technology would be the same but it would be the engineering design that would be different.

Mr Jordan: I see.

Mr Franklin: There would be single-end fuelling, if that means anything to you and I am sure it does, instead of what we have today, and other changes like that.

The technology for that particular station that they were pursuing, Candu 3, was for a small, stand-alone reactor, which we would not necessarily be interested in ourselves, but the technology that goes into it could have been utilized in a larger reactor that we would be interested in. Arlo has got an answer.

1740

Mr Niitenberg: I will just make a couple of quick comments. The focus was to come up with better materials and better maintainability in the design, better operability. It was not to revolutionize the Candu design, which is basically good.

I would like to just make a comment on some of the performance figures. As the minister stated, 1990 performance of our nuclear reactors was very disappointing and very poor, but that has to be taken in context of our expectations. Our expectations for the Candu have been very high, the highest in the world. We set ourselves a target of capability of 80%. No one else does it for their designs, and we have achieved 80% on an average from time to time.

To give you an example, for instance, US utilities have set a target for 1990 of 76%, and those four percentage points are a considerable difference. France has set a target in the mid-seventies, 75%, for its reactors. To put our performance for 1990—our poor performance from our point of view; we were very disappointed in it—in a worldwide context, our total capability for all our nuclear units was 65%. This compares to 66% as the preliminary figure for the United States and 66% for France, which regards itself as having and does have a world-class nuclear program.

From a comparison with a large number of world reactors, our performance was on average. From our own point of view and expectations, it was a very disappointing year and we have taken steps, both with AECL and our own engineering programs, to get that performance up, because there is economic potential in it.

Mr Franklin: I think it also can be misleading if you look at a single year as a kind of a snapshot of what happens. I believe it was in 1990 that we had a vacuum building inspection at Pickering, which means that you have to turn down all eight units that are there for two months or whatever it is in order to go through an inspection once every 10 years of the vacuum building. That is naturally going to impact on your capability factor for that particular year, your capacity factor for that particular year, because for two months you have deliberately taken all eight reactors out of service.

Mr Niitenberg: Just one more comparison on the various reactors. The worldwide data for 1989 are available; for 1990 they are not available yet. But the Candu design availability worldwide was 75.1% from 1989. The pressurized light-water reactor, PWR, which is the US design, was available 68.4%, the boiling light-water reactor, BWR, which is another US design, was available 63.1%, and the gas-cooled reactor, which is basically an older British design, was available 48% of the time. So, again, in a world context, our basic design is very sound.

Mrs Marland: Minister, I served on an all-party legislative committee that visited 17 mines in this province looking at mining safety, and you have just said that the uranium mines functioning in Elliot Lake are unsafe. Would you like to explain that statement?

Hon Mrs Carter: I cannot give you great details just now, but I understand that when the mines were first set up, they were done so on what you might call a cost-saving basis and the galleries were actually cut through the ore, instead of alongside them, as is normally done, so the radioactivity to people in those galleries is much greater than it would otherwise need to be, although the ore is less concentrated than it is in Saskatchewan mines. Those are safer because they have been built with the galleries not going through the ore in the same way. Also, they are

either on the surface or not so deep, whereas the Elliot Lake mines are very deep in the ground.

Mrs Marland: You said when they first opened. I am asking you, are they unsafe today?

Hon Mrs Carter: I believe the ventilation and so on has been improved over what it was in the first place, but there are still some concerns, I think.

Mrs Marland: Are you saying that those mines are unsafe today?

Hon Mrs Carter: I am not saying they are outrageously unsafe.

Mr Perruzza: Mr Chairman-

The Chair: It had better be a point of order, Mr Perruzza.

Hon Mrs Carter: I do not think that I personally would choose to work in one, but then when people are put into a position where they need to earn an income, then sometimes there are tradeoffs which people may see as reasonable.

Mrs Marland: I mean, you said on the subject of nuclear generation, "We're not going to commit ourselves too deeply until the results are heard." Then you go on to give an example by saying that the source of the uranium is in mines which are unsafe, and I am trying to get very clear from you what your arguments are. Are your arguments against nuclear generation because the mining of the energy source is unsafe?

Hon Mrs Carter: There is a certain risk involved in it, I think, yes, even with the best conditions made possible. I do not think any mining is altogether safe and healthy and, of course, when you have radioactive dust as a complication, that does certainly increase the problem. But there are, of course, other related concerns. The health of the miners is not the only one.

We have the problem of the tailings which are deposited on the surface and which either can blow around or leach into waterways and so on. That is quite a serious problem, I think, certainly south of Elliot Lake. Then, of course, at the other end of the nuclear fuel cycle we have the disposal of the used fuel, which is also a problem that we have not totally managed to solve at this point. So to focus attention on the actual power stations is not to realize the full extent of the problems that we do have with nuclear power.

Mrs Marland: Would you agree, Minister, that a moratorium is pretty significant? I mean, what is your interpretation of the word "moratorium"? Would you agree that "moratorium" is a pretty significant word in its intent?

Hon Mrs Carter: Yes, I certainly would. It means something is put on hold until further notice.

Mrs Marland: Right. So when you say you are not going to commit yourselves too deeply, would you agree that a moratorium is a pretty deep commitment?

Hon Mrs Carter: Yes, but it is only a moratorium on the development of new nuclear power. We are not in the same position that they have been for some time, for example, in Sweden, although I believe they have reversed that now. We are continuing to use the existing stations and to bring the new Darlington stations on stream, so that no nuclear power that would have been brought on in the foreseeable future has been affected by this decision, because we are looking at past the turn of the century.

Mrs Marland: Okay. You are saying that next year 60% of our generation is going to be nuclear. You also, I am sure, would agree that Ontario's demand is going to increase, and you are saying that you are looking at alternative generation. I would suggest that looking for alternative generation has not just happened in the last, even I would say, five years, but obviously, looking for alternative generation is not a unique idea.

I would like to know from you, as Minister of Energy, when the new limits for  $\mathrm{CO}_2$  emissions come into effect post-1994, which we certainly can anticipate. If not, I would suggest that your ministry will be in conflict with the Ministry of the Environment. Also with increased load demands, while you are still looking at R and D and alternative generation and knowing how long it takes to plan for any major producer of electricity, what is going to happen post-1994, in your opinion, in terms of the provision of energy in Ontario?

**Hon Mrs Carter:** We have quite a range of shorter-term options. Our favourite one is to use less.

1750

Mrs Marland: I know. I am talking about generation.

Hon Mrs Carter: Yes, but after all the two are connected. If you use less, then you do not need to generate as much.

We are also very interested in the non-utility generation, which is either small hydro or cogeneration. We think there is a lot of potential in that direction, which can yield further power supplies to this province. Also, of course, we still have hydraulic options to look at, starting with the Adam Beck, which, as far as I know, there is no problem with, which is going to bring on quite a lot of extra power supply. We have other possible options in northern Ontario and in parts of Manitoba which we have negotiated for.

Mrs Marland: Is the power from Manitoba environmentally safe? Do you know that? Are you concerned about that?

**Hon Mrs Carter:** If it is hydro power, as far as I know there are no major concerns with that.

Mrs Marland: If I could ask Mr Franklin's opinion, do you believe that to meet the demand that will be required of Ontario Hydro, the balance between what we can conserve and the increase in demand because of the increase in population and, hopefully, in industry that requires electricity, do you think that conservation and the alternatives that are being talked about in practical terms are a reality, at the same time as we slip behind with the very real option which is nuclear power, if Hydro is going to have a limitation on further CO<sub>2</sub> emissions from its existing fossil fuel plants?

Mr Franklin: I am not quite sure I understand the question.

Mrs Marland: If post-1994 you have reduced possibilities from the existing fossil fuel plants because of reduced CO<sub>2</sub> emissions, how many options are you going to have in your hand? Do you agree with what the minister is saying, that if we save electricity we will have that much more to meet the increased demand? Is that a realistic option, the fact that we will be able to save enough in the next three years or five years in conservation to balance off the increased demands from the increased load requirements?

Mr Franklin: I understood that if we are faced with  $CO_2$  limitations, they may be announced in 1994 but they would not click in, I do not think, until post-2000. I may be wrong about that, but my colleagues will correct me if I am. So I think the  $CO_2$  limitations were more troublesome for us when we are talking about post-2000, which after all is kind of what our demand-supply plan really is all about.

Our view, as expressed in that plan, I do not think has changed. We may be able to debate the timing of new generation and things like that, but our view is expressed there that when that time comes, if we rely on fossil fuels for base load, we will not be able to meet what we see to be pending CO<sub>2</sub> limitations.

Mrs Marland: Even with conservation?

Mr Franklin: That is correct. Again, we can argue among ourselves, because it is arguable, about how much conservation there is. We have to remember that 28% of our plant will become obsolete and not in existence during this planning process we are talking about. So we not only have to meet the increasing growth, we have to replace what we have. I think the debate is not whether you need new generation but when you will need it. How long can you postpone the date?

In our view, as we expressed in that plan, we have taken our best judgement on what load growth will be, what we can get from non-utility generation, what we can get from conservation, etc, what we can get from hydraulic, how much we can buy from other provinces, and we have come to the conclusion in that report, after five years of study, that somewhere in the year 2002-03, in that area, we will need another major generating source. I do believe that if we rely on fossil fuels to do that and these limitations come on that we are talking about, we will bump our heads on those limitations. It is a question of when.

The Chair: We have about 10 minutes left. We will go past the hour of 6 so that we can square the hour. We started at 1:04 and we will entertain an adjournment at 6:04.

Ms Haslam: I would like to preface my question to the minister with a couple of research things I have been able to come up with.

First, in 1988 when Larry South was the Liberal member for Frontenac-Addington, he said, "We need a very brave politician who would stand up and say: 'No damned way are we going ahead with any more nuclear energy. We are going to put our money into conservation.'"

Bob Nixon, 14 months before he became Treasurer, instructed the Conservative government to take steps to bring nuclear power under control, since it clearly had

dubious characteristics. "The government will never be able to negotiate the long-term storage of high-level radio-active waste anywhere in this jurisdiction."

In the select committee on energy, January 1989: "Other Major Supply Options: The Ministry of Energy should compile on a systematic basis the best available information on economic, environmental and social benefits and costs associated with supply alternatives such as power purchases, clean coal technology, natural gas and Candu nuclear generation, which are currently being evaluated in the power planning process." And, "The environmental implications of candidate supply options must be a major factor in selecting additions to the Ontario power system."

And the one I like the best, 11 December 1990, Leo Jordan, Progressive Conservative from Lanark-Renfrew, rose in the House to state that the new government was "recycling Liberal programs and legislation and reviewing past Liberal decisions."

Minister, in the face of all of this, when we ask whether we are going in new directions, could you explain to me what some of the new directions are?

**The Chair:** Maybe you should read some of your own party's stuff.

Ms Haslam: I am hoping the minister has that for me.

The Chair: You have been reading everybody else's. Please proceed.

**Hon Mrs Carter:** That is partisan.

The Chair: Was it? I did not see it as partisan. I thought it was highly informative. I just thought the member should expand her reading list.

Mr Perruzza: Mr Chairman, you are not a Conservative, are you?

**The Chair:** No, I am the Chairman. Thanks for acknowledging that. Please proceed, Madam Minister.

Hon Mrs Carter: Our new energy directions are to direct the efforts of the government and Ontario Hydro towards sustainable energy development and away from nuclear power, which is why we presently have a moratorium on the development of further nuclear power.

So we are emphasizing efficiency. We are giving and hope to give more strong leadership in the field of energy efficiency. We will bring in new programs to encourage people to save energy. We want to make the government itself an example of energy-efficient use, so Ontario Hydro is looking at our different government offices and suggesting to us what we can do in order to run them with a greater degree of energy efficiency.

We have asked Ontario Hydro, as you know, to cease spending on new nuclear plants and to increase spending on conservation and parallel generation. There will be early environmental assessments for proposed hydroelectric developments and for the transmission line from Manitoba so that if necessary those can go ahead in good time.

As you know, we are proceeding with the public hearings to review Ontario Hydro's demand/supply plan. These will provide a valuabe public forum for reviewing all the

options for meeting the demand for electricity services in this province, including nuclear power.

So, as I say, the main effort is directed towards efficiency at this point. We believe there is a lot of slack that can be taken up, ways in which power is used wastefully, so we can, by becoming more efficient, achieve the same amount of work without using as much power. We feel that for the moment this is an ideal way to go.

Mr Jamison: The question I have is one that relates to the transmission system and how well that transmission system is going to be maintained and kept in repair. What is the minister or Hydro doing to ensure that the transmission system is in good condition?

Hon Mrs Carter: I believe that a project of attending to this has just started, but maybe Mr Franklin would like to elaborate on that.

Mr Franklin: The transmission system of Ontario Hydro, like some of its other plant, is aging. I believe the average age for our transmission lines is something on the order of 40 or 50 years old. Some of them have been in since near the turn of the century. We have a program under way now, which is expected to cost about \$850 million, if my memory serves me right, which is a 20-year program to rehabilitate up to 400 kilometres of line per year. This is a special program beyond that which is in normal maintenance or normal rehabilitation, so we do have a very active and a special program to improve the transmission quality and reliability.

Mr Jamison: Supplementary to that: We have talked a lot about conservation. I guess it is more a comment I have at this point, that is, that it is confusing to me that really

when we talk about conservation, people even in this room seem not to take that as a serious effort. I have come to the conclusion that even the Alberta Conservatives are saying that a lot more can be done with energy efficiency. I would just like the minister to comment on the importance of that direction at this point in time.

Hon Mrs Carter: Energy efficiency is the song we are singing, that is what we want to do, and it seems to us that it has every possible advantage. Megawatts you save are non-polluting. They have every possible advantage as opposed to what you are doing—when you have to create power you are producing environmental problems almost inevitably. We have not yet found a way of producing power that is totally environmentally neutral, although I guess some hydro developments come the nearest to that. It is cheaper; I think Ontario Hydro is at the moment having problems with the cost of the power it is generating. It is better from every respect, so we feel that to push this as far as we possibly can is the very best way to go.

As time goes on, we are going to run out of fossil fuels in any case eventually, quite apart from the fact that they pose a pollution problem, so we are hoping that as we get to the turn of the century and beyond we shall have more and better renewable ways of producing power. So in a sense we have a holding operation until we can get to that point.

The Chair: I see that we have come to an appropriate time to break. I would like to let members of the committee know that we will reconvene tomorrow in this committee room at 10 am sharp.

The committee adjourned at 1804.

#### **CONTENTS**

#### Monday 11 February 1991

Estimates, Ministry of Energy	 	 							 	 								E-1
Adjournment	 	 		 								 					E	3-39

#### STANDING COMMITTEE ON ESTIMATES

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## Assemblée législative de l'Ontario

Première session, 35º législature

# Official Report of Debates (Hansard)

Tuesday 12 February 1991

# Journal des débats (Hansard)

Le mardi 12 février 1991

### Standing committee on estimates

Estimates, Ministry of Energy and Ministry of Community and Social Services

### Comité permanent des budgets des dépenses

Budget des dépenses, ministère de l'Energie et le ministère des Services sociaux et communautaires

Chair: Cameron Jackson Clerk: Franco Carrozza Président : Cameron Jackson Greffier : Franco Carrozza

#### Table of Contents

Table of Contents for proceedings reported in this issue appears at the back, together with a list of committee members and other members taking part.

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#### LEGISLATIVE ASSEMBLY OF ONTARIO

#### STANDING COMMITTEE ON ESTIMATES

#### Tuesday 12 February 1991

The committee met at 1006 in room 228.

#### ESTIMATES, MINISTRY OF ENERGY

The Chair: I would like to call to order the standing committee on estimates. At adjournment last evening, we were left with approximately two hours to complete estimates, which we will do this morning. At that time, we were on vote 1403. I should advise the committee that we have spent up to three hours already on vote 1403 and that we have three additional vote areas to discuss in the remaining two hours. As well, when we adjourned the NDP had the floor; therefore, if there are no questions, I will recognize Mr Charlton, who has asked to proceed with questioning.

Mr Charlton: With the Chair's permission, the area I wanted to discuss was under 1404. The Ontario Energy Board has been an area of concern to select committees around the Legislature for a number of years now, in terms of its role as the overseer of Ontario Hydro's operations and specifically its annual hearings around rate applications.

One of the areas a number of groups in Ontario have been concerned about over the years is the area of price and whether you use increases in price to stimulate conservation in the province. The energy board also has the role, in terms of its review of prices, to look at the declining rate structure, which many have said is a deterrent to conservation because the highest rates are paid on the lowest increments of power used by consumers. Perhaps the minister could make some comments on what approach this government is taking to the whole question of price and conservation through price.

Hon Mrs Carter: The price of electricity does affect the use. That is obvious. In Ontario, the rate is determined by costs. "Power at cost" is the motto of Ontario Hydro, as we know, and that cost is determined through traditional cost accounting. The rate structures are based on the same principle, so a Hydro residential customer pays one rate for the first block of kilowatt-hours each month and a lower rate for the balance. This approach has been criticized because it does not support energy conservation. Economic efficiency would call for marginal pricing, where the price is determined by the cost of the last unit produced, which in this case would mean a higher price. Pricing for energy conservation would see the rate per kilowatt hour increase as the amount used increased.

This is a complex issue, and there are serious consequences for electrical customers in this province. The ministry and Ontario Hydro are looking at this issue in light of the changing environmental and economic priorities in our society. We do not want to rush into rate changes that will place an unfair burden on ordinary people, especially those who can least afford it. It is the massive cost of the Darlington station and the Tories' goods and services tax that

have already caused considerable increases in power in Ontario. We are looking at an 8.7% increase this year, which had the GST added to it, and we are expecting similar increases next year and the year after to pay for the Darlington station's coming on line.

I will not be adding to that unless I have found ways to avoid disadvantaging the working people of this province. Higher rates would also affect the competitiveness of industry in this province, which has enjoyed very favourable power rates. It is critical that there be ways to offset the negative effects of a rate change before it is initiated. So with the GST and free trade, I certainly do not want to be putting new costs on at this point unless we can find some way of mitigating the effects they would have.

Mr McGuinty: As a follow-up to that, could you address specifically the issue of declining block rates, which is the policy now? Your party in the past has advocated inclining block rates as the best approach for reducing demand. Can you comment specifically on your position with respect to that?

Hon Mrs Carter: I did just mention that that is something that has been happening in this province and has been beneficial to industry and we do not want to affect the competitiveness of industry, but on the other hand I think we shall be looking at changes in the rate structure now that conservation has become so much more important. I ask my deputy minister if he would like to comment further on that or ask other staff to do so.

Mr Eliesen: This obviously is a very important area. Not only here in Ontario but other provinces and other provincial utilities are currently undertaking comprehensive reviews on the method and manner by which electricity has been priced in the past. Ontario Hydro, together with the Ministry of Energy, is undertaking a specific review, as the minister indicated, to measure the impact of any significant changes. Other main utilities that are as well causing such a review to take place include Hydro-Québec and BC Hydro. I think it is a common element that most utilities are viewing at present, that is, the manner and practice by which electricity has been priced in Canada, which of course has been power at cost, as public utilities make up the structure in 8 of the 10 provinces. That history is now being reviewed and assessed with an objective of seeing what kind of impact it will have on conservation and consequently the demand for new supply facilities that normally would be required with the existing pricing policies.

Mr McGuinty: When could we expect the completion of the review being conducted by Ontario Hydro?

Mr Eliesen: It is a review that we caused to be created just very recently, and we have not set any definitive time horizons because it is a complex issue and we do want to

consult with as many stakeholders as possible. We also are carrying on a dialogue with other utilities in terms of their reviews. In addition, we do want to assess the evidence that is being put forward before the Environmental Assessment Board, which will be starting up in April, because we understand that there are a number of intervenors who will be putting forward certain proposals and we will be interested in the evidence that is being deposited there in terms of our overall review.

Mr McGuinty: If I might touch generally on the matter of energy conservation, your ministry has given emphasis to the control of the demand side of energy, and I am wondering if you could outline specifically for me your targets, if you have established these in terms of one-year or five-year plans, and monitoring mechanisms you have in place to assess the success of the conservation efforts.

Hon Mrs Carter: Actually, I prefer the word "efficiency." That is the core of our policy on not just electric power but fuel use in general, because you may be aware that it is possible to do the same job with less power or less fuel, and as modern technology advances this becomes more and more feasible. The symbol of that is the compact fluorescent light bulb, which actually is 15 watts but gives the light of a 60-watt bulb. That is the kind of thing we are looking at. We are not asking people to suffer, to do without power or anything else. We are not conserving in the sense of turning the thermostats down or tightening our belts; we are looking at doing more with less.

We deliver an array of programs aimed at conservation and efficiency. They range from technology research, development and demonstration to energy-saving conservation programs and administration of the Energy Efficiency Act and regulations. These programs are comprised of three general areas: research and development, industry programs and public institutional transportation and education. We are working in all those areas.

To look under the first heading, the research and technology development activities include financial assistance to Ontario industries to do innovative energy technology development and the monitoring of emerging energy technologies development around the world to provide analysis and advice on their application in Ontario. You may have heard of EnerSearch, which is a multi-year program which assists the private sector for their research, development testing and initial technical demonstration of innovative energy technologies in Ontario. That has been in operation since 1986, as I am sure Mrs McLeod is well aware. To date, 85 projects have been approved under that and the government contributed over \$11 million to projects, which leveraged a much larger amount.

Then we have the industry programs, which promote and facilitate adoption of wise energy use practices in Ontario industries; development of parallel power generation to stimulate the transfer of technology and information in the industrial sector through demonstrations and technical seminars. Key industry programs are industrial energy services program, which includes free energy audits in industrial plants performed by consulting engineers. In the first three years of this program the ministry completed 323

energy audits and identified potential annual savings of \$12 million in electricity and \$29 million in fossil fuels. We have a cogeneration program, which is very efficient in the sense that you get the use of your fuel twice over for different purposes. We assist the development of Ontario's cogeneration potential, whether it is industrial, commercial or institutional. In 1990-91 we had 28 such projects.

We have the industrial process equipment demonstrations program, designed to encourage industry to increase its competitive advantage through the use of leading-edge technologies which improve the energy efficiency of industrial processes. We pay up to 30% of the equipment, performance monitoring and information transfer costs of that.

We have the small hydro and renewable energy program to assist the general public and renewable energy organizations with information, advocacy efforts in elimination of barriers. We give grants to that on a case-by-case basis.

We have energy efficiency programs, which stimulate energy conservation by promoting adoption of efficient energy-using practices among clients in all sectors: commercial, institutional, municipal, residential and transportation. Some of these focus on strengthened energy awareness, through working with professional educators and communicators to produce educational material.

1020

**Mr McGuinty:** Excuse me. I appreciate the information, but that is not what I was getting at. You are outlining for me programs. My concern is with respect to specific targets and monitoring mechanisms.

Hon Mrs Carter: I do not think we have specific targets. I think the objective is to do as much as we possibly can, and we feel there are very large opportunities out there. Monitoring is being done. You may be aware of the agreement with the Ministry of Government Services that was announced in December whereby Ontario Hydro is going to audit all government buildings and tell us what improvements can be made and what the savings are likely to be, so that we can follow up on those. However, I would like to ask my deputy minister if he has anything to say about that.

Mr Eliesen: If I can add to what the minister has indicated, there are no specific targets with regard to the general field of energy efficiency. The minister indicated yesterday as well as this morning that under the new energy directions major initiatives will be started up in a whole variety of areas, with specific emphasis on housing and transportation.

With regard to Ontario Hydro, we have asked it to undertake the following: it does have certain goals to the year 2000 on demand management. If we exclude interruptible power and load shifting—they have a goal of roughly 1,500 megawatts—their goal for the year 2000 on energy efficiency and demand management is roughly 2,000 megawatts. At the same time, they have identified economic potentially of roughly about 6,000 megawatts. What we have asked them to do, and to discuss with us, is

to attempt to achieve within the next three to five years a doubling of their current goals of 2,000.

Similarly, with regard to parallel development or nonutility generation, they had a goal as recently as a year and a half ago of 1,000 megawatts for the year 2000. That was increased to about 1,600 megawatts, and in further discussions with ourselves, their current goal is 2,100 megawatts by the year 2000. Again, we have asked them to discuss with us ways and means of accelerating that particular area, because Ontario Hydro and the Ministry of Energy have both independently identified another 5,000 to 6,000 megawatts of potential that can take place through parallel development efforts. In fact, right now, as I talk, Ontario Hydro is negotiating with the private sector individuals, cogeneration, small hydro etc, roughly 4,500 megawatts of potential.

I want to make sure I am properly understood on this: we are not talking about the Ministry of Energy's efforts in the other areas I referred to, which obviously do have a major impact on the demand for electricity. This is solely demand management programs organized and initiated by Ontario Hydro. If they are successful with achieving a doubling of their current goals, we have estimated that under their current demand-supply scenarios, this would delay any decisions to be made on major supply options by at least anywhere from three to five years. Those are some of the preliminary discussions that we have been having with Ontario Hydro, and some of the money that has been redirected, the \$240 million, will be going into these specific areas.

Mrs McLeod: I well remember many discussions about the studies that have been done in terms of what is technologically possible, theoretically possible, economically possible versus the ministry's own assessment of what was realistically possible. Where there is a political will, you can achieve what is realistically possible, and I second the political will aspects of looking at achieving a maximum amount of energy conservation, energy efficiency, obviously, so I was not, as minister, reluctant to see those targets extended, nor am I reluctant to see the attempt to extend them now. I do, however, recall being very discouraged about the fact that as Ontario Hydro presented what it believed to be one of the most ambitious energy conservation targets in a North American jurisdiction, to have heard from one of those ambitious American jurisdictions that it achieved only 10% of the target it had set. Clearly, the relevant fact is not the target alone; it is your predictions of what is achievable.

I guess, Minister, and if you wish to refer to the deputy, who was answering the previous question, I wonder if there is any evidence that there is greater progress in any jurisdiction in the achievement of some of the ambitious targets being set.

Hon Mrs Carter: Yes, I think there is. I cannot give you chapter and verse at this point, and I seem to remember that under the previous administration Ontario Hydro was offering to do audits of government buildings—what we have now asked it to do—and that it was turned down in favour of getting tenders from the public sector, which

was going to cost the government some money, whereas Ontario Hydro would have done it free. So I do not feel that the drive towards energy efficiency under the previous administration was quite all that it could have been.

I would like to ask Assistant Deputy Minister Jean Lam if she would tell us some of the successes we have had with energy efficiency programs and maybe she can give us a little more inspiration as to what we can achieve in this direction.

The Chair: Anybody want to hear them?

Mrs McLeod: If you do not mind, there was a very specific question, and I have had some ample opportunity to hear from ministry staff in the past about the programs, although to be very honest with you, my understanding of what was being done under previous administrations is much more specific and much more constructive than the statement you have made this morning, including the approach that was being taken to do audits in order to achieve energy conservation in government buildings, and I just must refute that statement for the record.

I really am looking for something very specific. I would like to believe that we can set the highest achievable targets and work to achieve those. In terms of planning for energy security, for electricity security, we must have some realistic sense of what might be achievable, and looking for anything, any specific figure of achievement of targets in other jurisdictions.

The Chair: Does the deputy want to handle that one?

Mr Eliesen: Just to follow up on that, I think there is evidence and a very dynamic example which the minister mentioned yesterday in the context of the program which Ontario Hydro believed was going to be a pretty dynamic one of the lightbulbs and providing a discount of \$5. Netbacks would be available but still the individual consumer would have to pay \$15, and the uptake of the program was so successful that they are into back orders now for the next six months and there is an inadequate supply.

Similarly, from some of the behavioural polling that both Ontario Hydro and ourselves do with regard to the general community, there is quite a significant perception to significant demand management or energy conservation programs in the community. I think if Mr Franklin and some of his officials were here today they would confirm they were very, very surprised, specifically by that program and by some other programs they have started up. So I think there has been an underestimation of the degree to which the community in general will be responsive and is willing to change its behaviour to effect reduction of electricity.

Mrs McLeod: Is it fair to interpret that, first, as precedent-setting in terms of any comparison to make with other jurisdictions' past experience? And if it is precedent-setting, do you attribute that to there being quite a different environment and, therefore, receptivity to conservation measures?

Mr Eliesen: I think it is a combination of both. Clearly, the latter factor of a changing perspective on behalf of the general community is in my judgement the prime motivating factor. I think people are concerned, and

more so today than ever before in the past, about the manner and method by which energy has been generated and the impact on the environment, and I do not have to tell you, Mrs McLeod. In the context of the past, you were quite cognizant of that particular direction.

I think it has become much more sensitive and therefore there is a greater willingness on behalf of the community to participate in these programs. If I may add, it is not a question of government coming in or Ontario Hydro coming in and using a kind of draconian legislative or regulative method of trying to change behaviours. I think with the proper kind of incentive programs, the uptake by the community will be quite successful and beyond anyone's initial expectations.

1030

Mr Jordan: I would like to first of all really commend the minister for the strong interest of her portfolio in conservation and in general efficiency in the industry. As I expressed yesterday, my real concern is that, to me, from my experience in business, those are sort of fringe benefits that certainly should be taken into consideration in the operation of the Ministry of Energy.

But I still feel that this government should give some assurance of focusing on some good, strong bases, and who knows what the technology will be 10 years from now, or 15 years? It may keep improving, as it has in the past 20 years, relative to the nuclear base that is now providing 60% of our energy. In relation, I see that as a real void in the minister's policy as put forward to date and I would hope that she would perhaps reconsider that moratorium and make it more than open-ended so that the people of Ontario would have more confidence, that in fact there is a support there and that we are not going to be priced off the market and we are not going to run short.

Relative to the conservation program, I was wondering what breakdown there is of electricity use by industry—commercial, farm and residential. Could you give us those figures, what breakdown you have of those sectors of groups?

Hon Mrs Carter: Okay. I think you still have not quite grasped what we are doing and what we are saying. It is as though you see nuclear-generated power as real and other approaches as not real. Can I remind you that a kilowatt of power saved through efficiency or whatever means is not only as real as a kilowatt generated, it is also cheaper and obviously more environmentally benign.

We are looking at large numbers here. Demand management is going to save us thousands of kilowatts, maybe 5,000, something like that, and we are also looking at, as was mentioned earlier, increased contributions from the parallel power field, the co-generation, small hydro and so on, that comes from independent producers, and that could easily reach a figure of 6,000 megawatts, so we are not talking chicken feed here. We are talking figures that would replace the need for power stations that we then do not have to build and this is much cheaper.

We are not looking at putting power rates up as a result of our moratorium. I think, if anything, we are looking at holding them down. The moratorium is open-ended. This means to say that there is no final date on it, but we are keeping an open mind. Obviously, we shall review the situation in particular as a result of the environmental assessment on the demand/supply plan which we expect to be reporting in about three years' time.

Mr Jordan: The other part of the question, the breakdown on electricity use.

Hon Mrs Carter: Yes, well, I would like to ask my deputy minister if he could give you those figures.

Mr Eliesen: I am trying to find the exact page, but it does not come to me. Maybe I can make it available to you. If what you are after is the breakdown by residential, commercial, industrial, those figures can—

The Chair: And rural.

Mr Jordan: It is a part that sort of frightens me in that this ministry is telling us that we are going save X megawatts here, we are going to save it there, and one save is one made and it is one not sold, so we can sell it again to somebody else because we did not sell it to you, through conservation and so on. But when you are going to deal with industry coming into the province, I cannot impress on you too much that you have to be able to sit down with industry and give it a concrete proposal of how you plan to meet.

You can come out to my house and do an energy audit and you can send them back a year later and I may have done part of it or I may have done none of it, but you are still dealing with people and people do not react in the form of statistics that we would like to see them react in and give us that projected load that we would like to see there.

It is not that I do not understand your program; I support your program. I just do not want to see you putting too much dependence on it to the point that we find ourselves in a squeeze, as the president said yesterday, where you have to take shortcut procedures to try and meet the demand with gas-fired, expensive units.

Now you do not have the breakdown.

Mr Eliesen: Yes, Mr Jordan, we do. We found our page and we can provide that specific information. I am going to ask Duncan Taylor, who heads up our forecasts, economic, etc, to provide that specific information if he would.

**The Chair:** Would they introduce themselves and their positions with the ministry for the record.

Mr Taylor: I am Duncan Taylor, the manager of economics and forecasts in the policy development and co-ordination division.

Mr Moore: And I am Larry Moore, the manager of energy management in the Ministry of Energy.

Mr Taylor: The committee was asking about the breakdown of electricity by sector. The demand is approximately one third divided among the major sectors of electricity use. In 1988, which is the table I have here, there were 147 petajoules in residential, 139 in commercial and 177 in the industrial, so roughly equally divided, electricity is used in all three sectors of the economy.

Within the residential sector, over half of the use is in appliances and lighting, but something like a third in those homes that are electrically space-heated.

Hon Mrs Carter: Maybe I could carry on.

The Chair: Well, Mr Jordan has the floor, Minister.

Mr Jordan: Thank you, Mr Chairman. Relative to your roughly one third breakdown to each sector of the province, which sector do you expect to have the greatest gains from in your study?

Mr Taylor: In studies done both for the ministry and by Ontario Hydro, the greatest potential for savings is in the commercial sector, in particular in commercial lighting. The estimates made in a study for the ministry which looked at a range of technologies, but not all of them, said at that time about one half of their estimated savings potential, which totalled 6,600 megawatts, would be in the commercial sector and the majority of that would be in improved lighting.

Mr Jordan: So you are expecting 3,300 megawatts from the commercial sector?

Mr Taylor: That was the estimate of potential.

Mr Jordan: Mr Charlton mentioned yesterday that you plan to keep a very close eye on the usage and on the conservation effects on the usage. Just what type of monitoring do you plan to do on commercial lighting, or commercial generally, when it amounts to half of your—

Mr Moore: Maybe I could help you on that. We are now talking about Ontario Hydro activities, its 2,000 megawatts, and hopefully considerably more than 2,000 megawatts, by 2000 target. We are working with them on their monitoring activities, and as you heard yesterday, they are making every effort to determine how much they are saving. In fact, our view is that even though they did meet their 1990 target, on their ramp up towards this 2,000-megawatt target, they are being really tough on themselves in terms of the system impact of the savings. So they are only counting a small part of the savings that they are getting in their programs in terms of counting it towards their target. Their total savings will be actually substantially larger than the are showing on their sheets.

1040

One of the things that may make you feel just a little bit more comfortable, in a sense, about these conservation efforts is that they actually are changing out technology. You know, less efficient motors are being changed out for more efficient motors. Less efficient lights are being changed out for more efficient lights, and those new motors and new lights simply cannot use as much electricity as the ones that they have replaced. So it is a concrete saving that you are getting with these activities. They are not counting in any of this turning out lights, turning down thermostats, any sort of reversible behaviour. These are all concrete actions that simply will save electricity.

Mr Jordan: I understand, but your method of measuring in megawatts, you are saying you are working very closely with Ontario Hydro, but we agreed yesterday that there would have to be a very close monitoring of growth and of conservation to off-balance the growth. This is what

we are really saying here, that we can offset the need through growth, through conservation efficiency.

Mr Moore: If I may, you are quite right. The ultimate measure will be the low growth that occurs in the future. That is the ultimate measure, but activity by activity, Ontario Hydro has to monitor what it is getting through each program. They want to make sure the programs are cost-effective for a start, that they are getting more for their money through these conservation activities than they would, say, through an equivalent supply facility. But you are right overall, it is going to be the electricity growth that is going to count. But again, activity by activity, they can make, as I mentioned yesterday, at a minimum an engineering estimate based on what they have actually done, what they have changed out, the lights they have changed, the motors they have changed and that kind of thing, to determine the real savings.

Mr Jordan: You are aware, though, that the change in motors and the difference—they have been changing street lights, for 15 years they have been changing to the high-efficiency motors for farms, for silo motors, for stable cleaners. That has been going on. It is an ongoing thing. There is very little of this that is new. The part that is new and that I like to see is that it is being given a higher priority, if you will, than it had been perhaps. But the way to measure it is very difficult. To be able to say, like five years from now, that I will not need a new generating plant, that is not easy, and I think the president yesterday leaned in that direction in saying it was difficult to measure the net result of conservation efficiency.

Mr Taylor: I think we would agree that it is difficult, but we will do our best to monitor both the aggregate load growth and, through Hydro, looking at the detailed program estimates of savings it is making.

**The Chair:** Mrs Marland has one question, if I could move to her briefly.

Mrs Marland: I think what we are hearing from this minister is pretty scary stuff. I do not criticize the answers from the staff, because the staff are dealing with a situation that they are now in, in terms of a philosophy of the new government. In spite of the fact that the chairman of Ontario Hydro said yesterday afternoon that they will need, even considering the plans for conservation—he told us yesterday they will need another plant.

My question to the minister is based on some of her really amazing statements. We are talking today and yesterday as though conservation is new, and that is the point that my colleague just made. People have been readjusting their thermostats in the winter and the summer for a very long time now because it is too expensive to heat and cool their homes and their offices, so conservation is not new. It is not going to happen overnight, even though there are some very brave projections being made here.

If what the minister is saying is that she is planning to meet the future load demands of this province based on conservation, well, I am sorry, I think that is Alice in Wonderland, certainly after hearing what Hydro said yesterday. If the ministry knows more about the provision of electricity than does the utility which has the responsibility as an

1050

arm's-length government agency, then maybe we do not need a board or an administrative staff of Ontario Hydro; maybe that is the direction we should be going in. We should remove the responsibility from Ontario Hydro for the provision of this service and put it totally at the feet of this new government which thinks we can manage without nuclear power.

You said a few minutes ago to my colleague, "You see nuclear power as something real." Well, goodness gracious, if it is not real, what provides 60% of our power? You cannot have it providing 60% of our power on the one hand and then on the other hand say to my colleague, "You see nuclear power as real." You better believe that nuclear power is real to those people who depend on electricity to keep their medical equipment going, people on dialysis and oxygen and other medical aids. If 60% of the power is provided by nuclear generation and their life depends on electricity, it is very real to them. I would like the minister to tell us: How many years do you think it takes to put another plant in place while you are gambling on this conservation as being the answer and the alternative?

Hon Mrs Carter: First of all, I wish you would not put words into my mouth. You did that yesterday and you have done it again today. You have slightly altered what I said. Of course nuclear power is real, but so is power saved. It is not only as real, it is better, as I have just pointed out.

Let me give you a scenario. If we continue to build more generating facilities as we have been doing—as you know, we are completing Darlington because the money was already put into it and so on—we are then putting up the price of power. The recent increases in the price of power are due to the money we are spending on nuclear power stations.

Mrs Marland: No.

stave it off.

Hon Mrs Carter: That is true. You cannot avoid that. On the other hand, if we conserve and become more efficient and do not need to do that so quickly, we can

Mrs Marland: And we do not grow.

Hon Mrs Carter: Of course we can grow. Quite honestly, this is unbelievable that you people do not seem to be able to grasp this point. If industry can achieve the same results by using half the amount of power, even if the price doubles they would still only be paying the same amount. This is really a win-win situation, is it not?

The Chair: Have we completed that line of questioning?

Mrs Marland: I think I am out of time, but I certainly will come back to it. Mr Chairman.

Ms Haslam: I would like to ask another question. I have been looking at the ministry estimates. On page 87 it says, "Ministry of Energy, Energy Development and Management, Grant Projects by Technology." I notice that solar is a negligible recipient of grant projects. I wonder if one of the staff could comment on the reason that there are not more projects looking at that type of technology. Is it passé?

Hon Mrs Carter: The mix of money being given to programs is so far largely something we have inherited from our predecessors. We have made some adjustments already and I am sure we will continue to make more. My personal preference would be to put more effort and money into renewables. After all, even if they are not capable of, as it were, taking on the load at this point, it is something we have to look at in the future in the nature of things; non-renewables are by definition something that is not going to be with us for ever. I would like to ask my deputy minister if he has more to say on that.

**Mr Eliesen:** Maybe I can get Bob Greven, who is our manager of research and development, to give a little background on the ministry's efforts in this particular area.

Mrs Marland: Karen, ask if it is going to get sunnier in Ontario.

Ms Haslam: Only if you are with us, Margaret; only if you are with us.

Mr Greven: The potential for renewable energy in general—I would rather deal with it as renewable energy in general rather than any particular one—can be approached either very negatively or very positively. Certainly, at this moment in time, none of these technologies are in a position to compete economically with conventional energy. However, there is a new day dawning, and new technologies are being developed which have the potential to greatly improve the economics of these renewable technologies. I think we all should stop for a moment and think about technologies we buy today, whether they are miniaturized television sets or one I found particularly interesting in a commercial last night, that you can now buy your new Chrysler with a car phone built into the sun visor. These are technologies we probably did not think about five years ago, never mind 15 years ago.

It is true that the sun does not shine here as much as it does in some other areas, but it still does represent a potential for power production, and as new technologies come along—or avoidance of power in the case of power use, in the case of solar, photo-voltaics are widely proclaimed as being a potential. One of the interesting things on photo-voltaics is that the cost per watt produced has fallen by a factor of 10 over the last 10 years. It is probably not realistic to expect that it will fall by another factor of 10, but they are approaching a point where certainly they are economic for some remote applications and are cheaper for some, what I would call, niche markets.

We have a number of EnerSearch programs. Because I am addressing primarily the research and development things that are 10 years out, I will hit a couple very quickly. Wind power is frequently mentioned. Unfortunately, the wind does not blow hard enough in Ontario to use the type of—

Ms Haslam: Do not say it, Margaret. Do not say it.

Mrs Marland: Even around here?

Ms Haslam: Gee, they could build it on the front lawn outside our offices, right?

Mr Greven: Let's say the wind conditions here do not permit the economic use of the wind turbines that are in use in Denmark and California. However, we are funding a company located in Mississauga that is attempting to develop a windmill that, first, will work in the Ontario wind regime and will also be much lower in cost. And in almost every case, the impediments are some place along the technological problem. There are technological impediments, but there are equally financial impediments and public perception impediments.

Mrs Marland: They have been doing it for 15 years, have they not?

Mr Greven: California has been doing it for a period of time, but anyhow—

The Chair: Mrs Marland.

Ms Haslam: That is okay. I will take up some of her time next time.

Mr Greven: Let me just wrap up. One we have, which I think is indicative of the type of thing that is coming and is solar: We are funding a company in Etobicoke which is developing a system that should make the cost of photo-voltaic hydrogen much cheaper. This is not going to be economic in the next five years; we might be 10 years out. But what is very interesting here is that the second phase of this project is being co-funded with the state of California. Once the equipment is proven out here, it will be shipped to California and then the hydrogen so produced will be used to power an automobile. Again, not economic per se, but if in fact future regulations much further restrict the use of carbon fuels in transportation in certain areas—southern California would probably be the one—this might become economic. It depends upon what disincentives are put in.

My point is that from a research and development point of view we are funding renewables. We are in the middle, at this stage of the game, of a study proposed to tell the government—we have received solicitations or proposals from three major management consultants to address the issue of what we can do, as government or a utility, to promote effectively the renewable energy field, with the idea of taking this to a point where by the year 2005 we might have a significant installed capacity.

So while these numbers are 1988 numbers, in 1989 the level has gone up. I think we are intending to ramp up far more in support of renewable energy, but it is still at the research and development stage.

Ms Haslam: I notice that you only have two solar projects at this time. Are you saying there are more, then, than the two in this figure?

Mr Greven: It depends something on the definition of "solar" projects. Part of the difficulty we have had—I would not call it a difficulty; it is intentional. The private sector must come to us for EnerSearch funding and it must come armed with its 50% funding in the design of the program. To date we have received the two or approximately three which are there. There is a fine definition of where does a photo-voltaic project—is it solar or is it not solar? But in renewable as a whole, we do have approxi-

mately 30 which have a renewable connotation, which eventually will promote the use of renewable energy.

Mr Hansen: I think we are sort of losing sight of the way technology has been changing so quickly. As an example, when I went to school I used a slide rule; now my son uses a computer at home. To me, the atomic energy side is getting to the point of being obsolete as an alternative source. I think we have to take a look at other alternative sources and that more money has to go into that particular area as the direction as it is right now.

I know we were looking at demands on the steady growth of consumption here in Ontario, but I think if we take a look at the actual consumption compared to conservation—in other words, that is dipping down now, so the demand will dip as conservation becomes more evident in the program. I was on the standing committee on finance and economics and there is a reference point: "Rose Technology Group have been looking at energy conservation directly reducing operating cost making institutions more self-sufficient, freeing up money resources for other priorities." To go on, in my particular riding, the St Catharines General Hospital did a retrofit and got an annual savings of \$250,000 a year. In that annual savings, it actually "created employment for contractors, increased safety for patients and staff, reduced maintenance cost, equipment upgrading, and importantly, improved environmental quality to the benefit of the patients, staff and visitors. Ultimately the reduction of energy cost has provided increased funding for patient care and facilitated the delivery of health services."

So what we actually see here is money being directed to other areas. I think we have to take a look at the overall picture, not just the amount of kilowatts saved at one particular time. It is more of a global savings. I think Ontario is going to be a focal point for the rest of the world if we are the leaders in the conservation of energy. I am sorry to make a speech, but if you can comment on where we are going on this line of demand and conservation and how we are going to be dipping.

1100

Hon Mrs Carter: I think you really got the point, that conservation and efficient use of energy are a win-win situation. We gain in every possible direction. For example, there are employment advantages. Emphasis is placed on people who might lose jobs working in nuclear power stations, although actually, the way we are doing things, that is going to be a gradual process. Nobody is being thrown out of work—or hardly anybody, at this point. But we are going to create more jobs. They are going to be in the places where people live. This is going to be good for business, because when you are operating efficiently energy-wise you keep your costs down. When you are creating goods that are part of an energy-efficient world you are going to have better sales.

I have looked at several industries in Ontario which are in this happy situation. The people who can see the way things are going are already benefiting from it, for example, the bus company in Mississauga which is producing buses that run on gas. They even have a refinement of that—I mean Consumers' Gas—where it is combined with an electrical component that makes it much more efficient.

Mrs Marland: Natural gas.

Hon Mrs Carter: Yes, natural gas. These people are looking at large export contracts. They are looking at helping the Ontario economy. They are looking at providing employment.

This is where we want to be. We want to be in the sunrise sector, not in the sunset sector. Energy efficiency is at the leading edge of how to succeed in the world nowadays so that we can all be better off. You are quite right: This is, as I say, a win-win situation. Businesses that can see this are going to be the businesses that succeed. They are going to be the ones that employ Ontarians, they are going to be the ones that help our balance of payments and they are going to be the ones who help save the environment. We really cannot lose on taking this tack.

Mr Hansen: I wanted an answer from staff on exactly how this—

The Chair: Then you should have asked for a staff answer. I do want to let Mr Wilson get on.

Mr Hansen: Fine.

Mr G. Wilson: Actually, it is to follow up some of the things Mr Hansen was saying. Specifically, it refers to an item in your report, Minister, about the ministries you are working with. I was disappointed not to see the Ministry of Education among them. That came of reflecting on some of the conversation here, even something simple like the use of the term "conservation" as opposed to "energy efficiency." "Conservation" suggests privation or having to do without; it is a negative attitude.

I noticed in some of the remarks you have been making that you have stressed the use of the term "energy efficiency," to say that things can be done differently. I think that is the guiding concept here, and that is why education is so important. It does fit in with what you said: "We will continue to work closely with other government ministries to ensure all provincial government organizations are practising responsible energy use"—of course, we would like to see that in our schools and other educational institutions—"and to help them contribute through their own mandates to furthering the government's New Energy Directions."

This, I think, speaks directly to encouraging pupils and students to think about how we can use energy more efficiently. I wonder whether you could comment on some of the directions you could use through the Ministry of Education and through our school systems.

Hon Mrs Carter: You are right. Education is a vital component in this. I am sorry if you have received the impression that it is otherwise. Maybe my deputy minister would enlarge on how in fact it is part of our policy.

Mr Eliesen: Let me ask Jean Lam to give you some details, as it relates to her area. Jean is the assistant deputy minister for programs and technology.

Ms Lam: The ministry does provide funding in the energy education area. It is certainly an area that is very important to the ministry, because, as you note, everybody

is aware that the young people are really the ambassadors to the future and in many cases they are much more active than we are in spurring us on for energy-efficient activities.

We have a number of programs that deal with energy education. We provide funding to disseminate information to students, teachers and families to enable them to make informed choices on energy use. We have provided funds to the Kortright Conservation Centre, the Ontario Science Centre and Science North to develop energy-related education material.

A couple of the very interesting areas we are working on with community colleges is to develop energy management programs. Barry Beale, the manager of energy efficiency programs, would be happy to tell you about some of the work we are doing in the trading area, as well as to talk about one of the new initiatives we have just undertaken with the schools, STEM or the savings through energy management program.

The Chair: You are just about coming to the conclusion of your time allocation. Just be brief and we can proceed to the next line of questioning.

Mr Beale: Mr Wilson, one point of clarification: The Ministry of Education provides curriculum policy guidelines. They do not generally get involved with the development of curriculum material. They rely on ministries like ourselves and other interested ministries to do that, and we are working very closely with them to ensure that other ministries comply with those curriculum policy guidelines.

The Ministry of Energy—of course, we are energy specialists; we are not specialists in energy education—has for the last number of years been using a group of volunteer teachers known as the Energy Educators of Ontario to actually provide energy curriculum for schools and to network with teachers around the province to introduce that curriculum into the school system. We have a very active program with them. We expect to become more active based on many of the remarks you made which were quite true.

Students have an enormous appetite for this kind of information and we really view them as a prime market for the kind of message that needs to be made. We do as well, as Ms Lam mentioned, support other groups to provide energy programs. This would include the science centre, Science North in Sudbury as well as the Kortright Centre, which receive students into their facilities and provides half-day programs on different themes, energy being one.

Mrs McLeod: It involves the discussion we have had during Energy estimates on the costs of alternative forms of electricity generation as well as what can be achieved from conservation. Both those questions are to be addressed by the environmental assessment panel if that goes ahead as was originally intended. That may, in turn, redefine "power at cost" as we understand it, particularly if environmental costs are fully accounted for.

I want to come back to a statement that you made yesterday, Minister, in terms of power costs might go up a little. I think it is hard to predict what the actual costs of alternative energy forms might be, should those be required. So I would like to direct the question, following up on Mr

Charlton's earlier question this morning, would you believe on a personal basis that energy costs could in fact go up significantly, even if it is not consistent with power at cost, as an incentive to conservation?

Hon Mrs Carter: As far as I am concerned, energy efficiency is going to be more cost-effective than the opposite. Ontario Hydro did not expect to put a new service in operation before the year 2003, so up to that point our policy really will not have much affect on electricity rates, because obviously the ones that are built already we have to pay for and that is what we are doing now. But the question assumes that nuclear power is cheaper than the alternatives.

Mrs McLeod: No, Minister, I very distinctly ruled out that assumption when I asked the question.

Hon Mrs Carter: All right. But the Environmental Assessment Board obviously will have its own opinions on this. They might conclude that an option that can be constructed quickly like gas turbines might be a good way for Ontario to go. It is really quite possible that electricity rates could be lower with the new directions, the way we are proposing to go, than they would otherwise be.

Conservation provides a lot of savings, at lower cost than any other supply option. For example, Hydro estimates that its avoided costs range from about 4 cent to 7 cents, depending on whether the conservation is on or off peak. For conservation, Hydro estimates the following costs: If we are looking at residential, insulation has lifecycle costs of 1.64 cents per kilowatt; a super-insulated house, R-2000, has life-cycle costs of 3.2 cents per kilowatt. We are looking at amounts below the cost of power, as you realize: energy-efficient refrigerator, 1.0 cents per kilowatt over its life cycle; a freezer 0.8 cents; and showerheads life-cycle costs of 2.2 cents. So we are really looking at—

1110

Mrs McLeod: A very specific alternative question, and I just need a yes or no answer. Perhaps you will wish to direct this to the deputy minister.

One of my areas of interests is time-of-use rates. I do not want to get into that extensively because I know my colleague is in an area of questioning in a limited time. Is it fair to say that the purpose of time-of-use rates is to encourage conservation, that if a region of the province, and perhaps particularly southern Ontario, were at some point in time to become a peak user over the summer, there would be a change in time-of-use rates so that the highest rates charged in the summertime would in fact encourage greater conservation?

Mr Eliesen: Yes, and in fact that is one of the areas we are looking at in the whole context of our review of electricity rates. As you know, Mrs McLeod, time-of-use rates were introduced recently as part of the Ontario Hydro structure. It impacts differently, particularly in northern areas like Thunder Bay, compared to others, and it is an area that obviously is of concern and requires monitoring. That item will be looked at intensely as we do our review.

Mrs McLeod: It was more than yes, but I am glad to hear it. I give in to my colleague.

Mr Daigeler: Minister, you are upset with us that we in the opposition do not follow your logic. I can tell you that we are upset too because I have the impression that your logic is based mostly on faith and not on facts.

We have been trying for some six hours now to get some clear target levels from you on what you think are achievable, reasonable energy conservation levels versus expected energy demands. Up to now what you have been saying to us basically is: "I am Jenny Carter. Trust me. Our new approach is going to work."

I am just not sure. In fact I doubt very much that the business leaders in Ontario, and especially investors from the world over, are simply putting their trust in you. I would like to ask you, are you meeting, have you been meeting with business people and what have they been saying to you about their energy needs and how those needs can be met?

Hon Mrs Carter: Yes, of course we have. I would just like remind you of a remark made by Mr Kerrio in 1983. He warned of the dangers of rushing ahead with new supply on the strength of scares and threats about blackouts and brownouts, some of which we have had recently and I think quite without foundation. I think his point was well taken and I suggest his colleagues do take it to heart.

I would like to refer to my deputy to see if he has any comments on that.

Mr Eliesen: What the minister has given directions on, to the ministry and also to Ontario Hydro, is really to ensure that there is reliability and integrity of the reliability of the electricity system for the 1990s. The policy of the government, to answer your question very specifically in terms of goals and standards—I made reference to some of those aspects earlier in terms of demand management and also in terms of parallel development.

But clearly, it is part of the specifics that have been announced by the government and by the minister to ensure that the integrity and reliability of the system be maintained for 1990. That includes (1) the completion of the Darlington nuclear station, so you have 3600 megawatts coming on stream in 1992-1993; (2) Much more emphasis should be provided to this: a very active program of work to improve the performance of the existing nuclear stations. One of the difficulties over the last four to five years is that Ontario Hydro has been forecasting an 80% reliability, and as we have been learning from experience, particularly from the first kind of nuclear generating plants, they have not worked out; there have been problems that people had not been anticipating.

You heard yesterday from Mr Franklin and Arvo Niitenberg in terms of the 62%. So an active program has been confirmed by the government in which hundreds of millions of dollars will be spent over the next short while to improve the performance of the existing nuclear stations and to get them back to the goal which Ontario Hydro technical people believe is possible; that is, around 80%.

The third thing on which the government has made a decision is that there should be simultaneous environmental assessment reviews, specific sites on the hydraulic stations, and specifically, as the minister mentioned

yesterday, we are talking about Quebec and Niagara Falls. We are talking about the Matagami stations; there are four, which are are rebuilt stations. And we are talking about Little Jackfish.

The fourth that the government has approved is the approval of the Manitoba 1,000 megawatt sale, and again there is an early and expeditious environmental assessment review on the transmission line.

The two other areas are ones that I have already mentioned, and that relates to the parallel development, of which I said 6,000 megawatts are under our potential, and Ontario Hydro is now discussing 4,500 with private sector applicants, and there is the demand management which they and us have identified as about 5,000 to 6,000 megawatts.

When you add 5,000 and 6,000 twice, you are talking about roughly three more nuclear Darlington stations. What we are trying to see over the next three or five years is the degree of our success, both in demand management and also parallel development. So people, everyone, and particularly the Ontario community, will have an appreciation of what is possible in the context of the future.

As I mentioned, just a 50% increase from the current goals Ontario Hydro has in these two areas to the year 2000 will delay any major supply decisions for another three to five years. The energy conservation programs I admit are ambitious, but resources are being allocated in order to ensure that they are successful. If they are successful, and we are monitoring them, we will be able to see the results in the very near future. For the long run, that is where the government and the ministry are relying on the kind of evidence that is going to be presented to the Environmental Assessment Board, and the judgement of the board and its recommendations to government.

Mr Daigler: I would still like to hear from the minister a little more specifically whether she has met with business groups or whether any meetings are scheduled, and what they have been saying to her.

Hon Mrs Carter: Of course I have met with business groups and I think there is no question that we can do more with energy efficiency. Let me point out that an industry that is using power efficiently is to that extent a more profitable and competitive industry. This is a way that it is in everybody's interest to go.

Mr McGuinty: Minister, with respect to the Energy Efficiency Act, when can we expect new regulations and of what will those regulations consist, and in particular what new appliances and motors will be included?

Hon Mrs Carter: Of course we are pursuing a general policy of tightening up regulations because we know that this is technologically feasible, and sometimes industries are a little slow to realize where their own interest lies and they get very slack about updating appliances as they could do. But for the details of that I would like to call on my deputy minister.

Mr Eliesen: I am going to ask for Barry Beale, who is in charge of this particular program, to give an update.

Mr Beale: Mr McGuinty, we now have 11 regulations in place under the Energy Efficiency Act. These regula-

tions for the most part cover the white goods that we are familiar with in our homes: Dishwashers, clothes washers. We have also introduced regulations covering electric water heaters and oil-fired water heaters as well as—a first on the continent—eliminating continuously burning pilot lights on gas furnaces.

We have another set of regulations which we expect will be introduced before the end of the fiscal year, and these regulations will provide for even more stringent standards for refrigerators and freezers than the existing standard, as well as introduce regulations for additional heat pump sources of energy.

We have, as well, quite an ambitious program through the Canadian Standards Association and the Canadian Gas Association which we expect will leave us with improved gas furnaces; for example, improving efficiencies from the current average of the conventional furnace of 65% up as high as 78% or 79%. We are negotiating with the CSA on about three dozen more products that we would expect to see coming into the standard-setting process over the next three to five years.

This is really a success story, I think, for the Ontario government. It is always nice to be acknowledged as leaders in particular fields by your colleagues in other provinces and the federal government. As a result of our initiatives in Ontario, the British Columbia government has recently introduced its own Energy Efficiency Act and we understand that four other provinces, Newfoundland, New Brunswick, Alberta, and Nova Scotia, are also investigating the possibility of acts.

1120

Mr McGuinty: Minister, the previous government had promised, with respect to global warming, to release a white paper which would outline the government's targets, some policy directions and some programs. I understand that was promised for December of the past year. Can you gave us some idea as to what stage that paper is at?

Hon Mrs Carter: Yes, of course we are working with the Ministry of the Environment on that. Both myself and the Minister of the Environment are taking this very seriously. That is why we want to make sure that when we do come up with our policy, it is going to be an adequate one. We are not too thrilled with the federal government's approach to this, which we feel is inadequate, that it is just trying to keep the level of gases that affect this question to recent levels whereas we feel that they have to be reduced. Of course it is not a problem that one government can solve. We want to be part of the solution in Ontario, and when our policy does come up I am sure you will see that it is a very positive one for taking action on this.

Mr McGuinty: When can we expect the paper, Minister?

Hon Mrs Carter: I think in about a couple of months. Where are we now? February. Probably by around April. We have somebody actually working on this quite intensively, because as I say we do take it very seriously and we want our policy, when it comes up, to be not only adequate in its goals but one that we can realistically achieve.

I am sure you understand that this is going to involve changes if we are really going to make a meaningful impact on this problem. The nice thing about it, of course, is that the things we have to do to reduce global warming are the same kinds of things we need to do for energy efficiency in a general way, so that we are moving in the same direction here.

There are no conflicts involved here. For example, we will have to make our vehicles and buildings much more energy-efficient. We want to do that anyway. We also have to look at agriculture, landfills, industry, which all have their part to play here. We are looking at a very all-embracing policy that is going to take all of this into account.

We expect to announce, as I say, a firm comprehensive plan and we want to make sure that we are going to do everything we can, that we are going to have realistic goals, but that they are going to be ones that are going to have some impact on this problem. Government of course can go so far on this. It is going to require contributions from everybody individually, from industry and from all the sectors of our society.

Mr Jordan: Minister, I found it interesting that your staff has reported that one third of the energy savings would come from commercial projects. I was wondering if you see a conflict between your ministry and the Ministry of Municipal Affairs relative to Bill 4 in allowing property owners to in fact upgrade and make their buildings more energy-efficient.

**Hon Mrs Carter:** You are referring just to commercial buildings?

Mr Jordan: I am talking the relativity of the legislation as put forward in Bill 4. It would appear to me to be in negative to your objective, to try and get the commercial buildings upgraded to a conservation standard, and now these people are going to not be able to do it.

Hon Mrs Carter: We do have programs in place that help people to do this. I think I mentioned this earlier. We have programs right across the board to encourage efficiency in buildings, whether they are commercial, industrial, government, private or whatever.

Mr Jordan: So you do not see a conflict therein the landlord or owner of the building under Bill 4 being limited in what he can do to upgrade the building to make it more energy-efficient, in line what you would like to see done? You feel that you can supplement him to the degree that he can go ahead and do this? Is that what you are saying?

**Hon Mrs Carter:** What is this conflict that you are thinking of in Bill 4?

Mr Jordan: If I owned this building, for instance—thank God I do not—but if I were to upgrade it, I would have to, as a businessman, pass some of the capital costs on to the tenant and I am not being allowed to do that, as I understand it. Do you see that as a negative effect on your conservation program?

Hon Mrs Carter: After all, landlords collect rent, and if energy is part of their cost, then they have to charge a higher rent if they are going to allow for wasteful use of

energy. Now of course there is a question in rented property as to how it is set up, so if you have a metering system, the tenant pays, and if you have it all in, it is part of what the landlord has to get back from the tenants. But whichever way you look at it, there has to be an advantage in keeping energy bills down.

Mr Jordan: I was pointing more to upgrading the older building, where the rent has been fixed for some time more or less, and the upgrading would mean a large capital expenditure to bring it in line with your specifics for energy conservation. I just asked if you see one ministry supporting the other there, or do you see a conflict?

Hon Mrs Carter: I am sure this can be worked out. There are incentives and so on that can be used to achieve these objectives, and in general we are working very successfully with other ministries. We are not finding much problem in that line at all. Everybody sees that energy efficiency is to all our advantages, whether it is the Ministry of Transportation, Housing or whatever. We are finding this is something that we really work together on.

Mr Jordan: Perhaps I can move on then, Minister, to the list of projects being funded under vote 1403, energy development and management. I was wondering if you would consider tabling a list of those projects being funded and table them under the project name, the amount being funded and the individual company to whom the dollars are going.

Hon Mrs Carter: I believe my deputy minister has a list that might be pertinent to answering this question.

**Mr Eliesen:** We anticipated this kind of question would be asked, and therefore, rather than speaking for 15 minutes and giving you the list, we can table three copies with the committee providing the specific information that you have just requested.

The Chair: That is very helpful.

Mr Jordan: Thank you very much. I appreciate that. I just want to move on for a minute to research. I noticed you have \$180,000 for hydrogen research. Could you tell the committee what you plan to do relative to hydrogen research? 1130

**Hon Mrs Carter:** That is of a fairly technical nature, so I think I will ask staff to follow that up.

Mr Eliesen: I am going to ask our research and development manager, Bob Greven, who has been waiting for days and days for this opportunity, which is now fulfilled.

Mr Greven: Hydrogen is a technology that is again getting attraction and some private sector involvement and expenditures. We have at the moment three hydrogen-related projects, one of which is the testing or demonstration of a hydrogen-fuelled fuel cell at Dow Canada in Sarnia. The purpose here is to demonstrate whether or not it is feasible to take waste hydrogen produced by Ontario industry, of which there is a substantial quantity, and convert it into electricity using fuel cells.

The other two projects that I alluded to earlier are the photovoltaic hydrogen projects, which are being done again with 50% private sector funding, and we have a third one from an aluminum producer which is examining the

potential of producing hydrogen from forms of waste aluminum that it is difficult to do otherwise with. So we have at this moment in time three hydrogen-related projects that are enjoying 50% private sector funding, which is, I think, an indication that the world of hydrogen is getting closer to economic reality.

In addition, we have volunteered for the last several years to contribute funding to a small-scale national hydrogen program designed to promote pre-competitive R and D or non-commercial R and D, to address some of the impediments facing hydrogen. This has not been picked up yet, because the federal government has not put its plan together. But again, the offer is still there. So we would conceivably next year be at a level approximately double the amount shown.

Mr Jordan: At one time Ontario was considering hosting a demonstration project. Is that still active?

Mr Greven: I am not aware of something per se called a demonstration project. Perhaps you could call Dow's project a demonstration project. It has proved to be far more a research program than a demonstration project.

Mrs Marland: I think that it is important that I put on the record that our questions about the value of conservation are not in the essence of the value of it on its own. It is just the argument that it will be a replacement and will meet the future load demands in this province.

We are, obviously, 100% behind conservation. In fact, I am having a forum on that very matter in my own riding, and my feeling about conservation is that we do not do enough. I attended a three-day meeting at the United Nations and another three-day meeting in Washington and, frankly, we are a long way behind in some of the initiatives that can and should be done in terms of conservation of energy in Ontario.

I want to say that I am very proud of the work of Don Sheardown with the Ontario Bus Industries, his progress with the natural gas vehicles in Mississauga. Mr Sheardown has been a leader in that industry in a number of areas from the very beginning and we are extremely proud of his work.

Minister, you said yesterday we have no immediate problem and I want to get back to that statement, because this morning you said we have already had blackouts and brownouts recently. Now you say that I am putting words in your mouth. I think when you read Hansard you will see that what I am saying is what you have said.

Hon Mrs Carter: Of course, we-

Mrs Marland: Excuse me, I have not asked the question yet. The question is, how is it on the one hand you can say we have no immediate problem and on the other you can acknowledge that we have had blackouts and brownouts recently? Are they not conflicting statements?

Hon Mrs Carter: Actually, I do not think we have had any just recently. I believe I said that there have been scares about them, not that there are right now. In 1989, I believe, there was a problem in December when there was a cold spell and everybody suddenly turned on their appliances. There was a problem, but that problem was largely due to the fact that a lot of the existing power stations were

down or not functioning fully and the nuclear component was particularly to blame in that respect.

A lot of the nuclear stations were down for one reason or another, so that the full peak load requirement was barely being met. I believe the immediate cause of that was that an oil-fired station for some reason did not have sufficient oil available at that time, so that really this was not a function of the total capacity; it was a function of particular causes that came together at that time.

Since then, a lot of those stations have been rehabilitated, are functioning again, although we do admittedly have some problems still, particularly with some of the nuclear stations. As you know, one of the new Darlington stations is having some problems at the moment. But actually, as you know, we have continued the construction of Darlington. We felt that it had gone much too far; much too much money had been invested in it for us to cease doing that. So this is bringing large amounts of extra capacity on stream.

As you may know, we are in a recession; the actual demand for electricity has dropped this year, for the first time I believe since the Depression in the 1930s. So there is no immediate problem, and in any case the new nuclear facilities would not have come on stream for quite a large number of years so our policies have not in any way reduced the possible supply of electricity at this point or for foreseeable years to come.

The Chair: Thank you.

Hon Mrs Carter: In addition, of course, we are working on keeping things repaired and up to scratch.

Mrs Marland: Minister, in yesterday's speech in the printout copy that I had, the last sentence in your speech said: "Together we can transform Ontario into a truly energy-efficient society." When you read your speech, you did not say "energy-efficient;" you used the word "sustainable." I want to know whether there was a reason for you to transpose that word "sustainable" instead of "energy-efficient."

Hon Mrs Carter: We want it to be both obviously, energy-efficient and sustainable, and of course the two go quite closely together. If we rely on large expansion which is based on either fossil fuels—

**Mrs Marland:** So there was not any reason for you to change those words.

Hon Mrs Carter: No, nothing very profound.

Mr Jordan: We have been relating to Ontario Hydro throughout this hearing or debate, and given that Ontario Hydro is a wholesaler to the municipalities, I wonder what your leverage or control is over the commissions in these municipalities to implement your programs.

Hon Mrs Carter: I think that is a question I will ask staff to answer.

Mr Eliesen: Mr Jordan, with regard to the municipal utilities which I believe you are referring to, Ontario Hydro has developed an effective conservation program. They are sitting down with the Municipal Electric Association or the Association of Municipal Electrical Utilities and working through with them—

Mr Jordan: Yes, but who has the clout to make them act?

Mr Eliesen: Well, I guess the clout comes in two ways: The rates upon which they do charge have to receive approval by Ontario Hydro, so there is clout in the whole context of rate determination. There is also clout in—I guess clout perhaps is too heavy a term. There is influence in the whole context of revenue flows. Ontario Hydro have specific incentive programs, for example, the lighting program which works through municipalities, \$30 million has been allocated for that. Obviously, municipalities and municipal electric utilities are interested in having accessibility to those programs, and as Mr Franklin mentioned yesterday, this has been one of the big success stories in these specific areas.

1140

Mr Jordan: I guess what I am trying to find out is there is incentive through grants to upgrade lighting but there is no legislation per se to a municipal commission, a hydro commission that is set up by the people of that community. You do not have, outside of incentive grants, the leverage to get them to be part of your conservation program.

Mr Eliesen: Well, in the past as well as in the present and we hope in the future, the kind of partnership that has existed will continue, and in the legislative terms this is the specific action you are asking. Yes, Ontario Hydro does have clout, has leverage in allowing or not allowing specific rates that various commissions plan to charge in the future. In practice, that never takes place. In practice, the good working relationship that has been built up over the years continues into the future.

Mr Jordan: Thank you. In closing, I just want to recognize the minister's interest in going to see the atomic energy storage site for waste from the nuclear plants. I think you will be quite impressed with it and the safety that has been built into it in the different forms, and I congratulate you for your interest in that.

Hon Mrs Carter: Of course I had a tour of Darlington as well.

The Chair: We do not want the whole itinerary. Thank you, Mr Jordan. Ms Haslam has the floor.

Ms Haslam: It is interesting that you ended on that note because I have been reading on the select committee of energy in March 1990. They were looking at the CO<sub>2</sub> emissions, so you have to take nuclear and CO<sub>2</sub> and deal with it.

Mr Torrie, in that select committee, answering Mrs Grier, who was talking about, "It appears from what you say that if we go nuke, everything is nuke, and then we save CO<sub>2</sub>," said: "You cannot even start to think about converting the world to nuclear electricity. The extent to which nuclear draws investment away from the more attractive marginal investments, which are always efficiency and conservation and will be, no matter how hard we work at them, for another 10 years, to the extent that it does that, it is actually taking away from the best solution to the problem."

Again, Dr Burnham said: "If we have co-operation in the use of less electricity, the generating stations that we will cut back on first will, in fact, be our fossil-fuelled ones and we hope that energy efficiency will be able to help us reduce our reliance on the burning of fossil fuels. That is why the demand management and energy efficiency measures that we have are very important in minimizing environmental effects."

And Mr Holt said, "Our approach to the plan, as it says, is to walk the line between these two various issues," the issue of  $\mathrm{CO}_2$  and the issue that is in the paper, in today's Globe and Mail, "Drinking Water Tested After Radioactive Spill."

The Chair: You have a question in here, I assume.

Ms Haslam: Yes, walking the line. My question is: Is the government getting caught between these two competing objectives, nuclear on one side and fossil fuels on the other? People have been saying that the moratorium on nuclear plants is detrimental to our global warming, but are we caught between these two competing objectives?

Hon Mrs Carter: It is suggested to me that this is something that should be left to the environmental assessment that is coming up. But I should point out that a lot of the carbon dioxide produced, I believe 80% of it, is not due to power production at all, although obviously that does contribute, but is due largely to transportation and other uses of fossil fuels, such as house heating and so on.

Experts have looked at this question and they have decided that in order to substitute nuclear for fossil fuels in power production for this objective you would have to build at an incredibly rapid rate all over the world, which would cost them a fantastic sum of money, and that really, as I say, since this is only a small proportion of the carbon dioxide produced, this is really not a sensible way to go.

I think to reduce our need for power through efficiency is a much better way of spending our money. If we spend our money on nuclear power stations, then in this world where we do not have indefinite amounts to spend, we have to make choices and we would then lose out on the conservation and efficiency side, which obviously is also a way to reduce carbon dioxide emissions.

Mr Hansen: I have been an environmentalist and I have been a conservationist. Both were titles maybe 10 years ago that you would never want to associate with your name; today it is not bad to talk as if you are an environmentalist—

The Chair: Now you are a socialist.

Mr Hansen: That is okay too. That is all in one.

I have to say that when one of the other governments was in power, I guess back in 1984 and 1985, there was conservation at that particular time also. I do not think this government takes a look that they were not going on.

I was sort of pinching pennies also, and I took at a look at the conservation part of switching to an alternative fuel in my vehicle, propane. My home was the first to have a coal-fired electric heat pump, under experimental, which actually saved half my fuel cost; I was actually extracting heat from the air. So I have been around a long time in that area. A lot of times what people look for from conservation

is saving money; saving money is one of the biggest things. With a cheap resource, sometimes it gets wasted. I think some of the ideas have been going on in the past and they are accelerated with our government now. I do not know if that is partisan or not.

But the question is that there has been some concern—I think Mr Charlton was the one who brought it up originally—that Ontario Hydro look at a program of giving free to every Ontario resident a fridge. I have a few concerns around that. Would they be frost-free fridges, which actually take more power?

Mrs Marland: Sound familiar, Brian?

Mr Hansen: The other thing is that I have talked to some other people and they are very scared that that other fridge they have at home becomes a beer fridge, so we have actually defeated our whole purpose. Also, with the fridges that, let's say, are taken in, is the Freon going to be collected or are they going to a scrapyard and release it to the atmosphere?

We have some good ideas out there, but before they are followed through—I would like to hear the opinion of the minister or the staff on where we are headed in that way. Watching TV Ontario last night, there was an hour on exactly what we are talking here. There was a nuclear plant just about ready to go on stream, and a private company sold it to a municipality for \$1. They no longer wanted it because of the cost of startup.

I think we have to look at this very closely, like I said earlier. I think we are going to have to take a look at alternatives and conservation, that planning for 15 years down the road could lock us into something we regret we have to pay for.

The Chair: I just want to caution people that the issue of the acquisition of a free fridge is a very sensitive issue around this building, so if you could limit your comments to the energy components of that question it would be appreciated.

Hon Mrs Carter: We have had energy scares in the 1970s and 1980s. Now the point is that it is for good; we have realized that this is not just a question of what is happening in the Middle East, although that is a factor, particularly now, but we do have to have a long-term view of this, because our fossil fuels are going to run out, we are going to get into global warming problems if we do not do something.

With regard to the fridge situation, my information is that when people turn in a power-guzzling fridge and get a better one, they do have to turn in the old one, right? You cannot just get a new one and keep the other one for beer. It has to go. There is no doubt about that. I am quite sure that the arrangement is made for the Freon to be extracted from that refrigerator before it is hopefully recycled.

Mrs Marland: You are saying they have to turn in the old one?

Hon Mrs Carter: If you get a new one on one of these special deals that may be largely imaginary at the moment. But this has been thought of; you do not give out the new power-efficient fridge and just allow it to be running in conjunction with the old one downstairs with the beer in. It has been thought of that the Freon should be extracted and recycled. Maybe staff would like to—

The Chair: If I might, minister. We have about four minutes left and I would like to recognize Mr Charlton for two reasons. First, he is on my list. Second, I wish to indicate that I am most familiar with the question being asked, and worked with and in support of Mr Charlton on the proposal and met with workers in the Hamilton area, so I am familiar with his proposal. I think perhaps it is best that he comment, if he so chooses, and that would be a recognition of his request to do so.

1150

Mr Charlton: I would like to ask a question, but I will make a very brief comment, simply to say that the proposal which was mine, not a product of or adopted yet by the Ministry of Energy in total, was a proposal to deal with all of the questions you raised including the collection of the old fridges and the discharge of the Freon gas and its reuse rather than its disposal in landfill sites. All of the points you raised are important points in terms of how we tried to design the program in question.

My question to the minister—the minister may have to refer to staff on this question. My question relates to the report of the select committee on energy in January 1989. I took a quick run through it in relation to your opening remarks and the discussion that has gone on here over the last day and a half and just took a quick count.

The recommendations of the select committee, by the way, were unanimously endorsed by the members of all three parties on that committee. They made 33 recommendations, all of which relate to the topics we have been dealing with here. I will quickly read a couple of them.

Recommendation 6, for example: "No new major Ontario Hydro supply option should be approved until the Ministry of Energy is satisfied that the uncertainty regarding the amount of demand management which can be achieved is reduced by means of effective market research and studies of implementation feasibility," and so on and so forth.

On my count, it would appear that the ministry has already adopted 21 of the recommendations of the 33, that an additional six, the minister has said, are currently under serious review, and that there are only three recommendations outstanding; yet we have had all kinds of questions here about whether or not the new energy directions being followed by the Ministry of Energy are appropriate.

My question to you, minister, is: That select committee spent a significant amount of time and money receiving expert testimony, some of which has been referred to in other questions. Are you confident that the direction which the ministry has adopted is largely supported by fact and science and implementable, and that the current policies of the ministry largely reflect the carefully thought out recommendations of the select committee in 1989?

Hon Mrs Carter: The answer to that is absolutely yes. I have some concern for my Liberal colleagues in that they are having to appear to oppose a lot of policies which they themselves have agreed with in the past. But the details of that maybe Marc would like to—

Mr Eliesen: Just one quick observation, and I guess ironically it relates to the current recession that is under way, which does provide a specific comfort level. As the minister has mentioned, last year, the year 1990, Ontario Hydro experienced a decrease of roughly 3%, or 1% on a weather-adjusted basis, which they have never had since the Depression. We forecast a flat demand this year and maybe even less.

Ontario Hydro, as I mentioned yesterday, has revised its plans because of the decrease in electricity consumption and has deferred any reactivation of the Hearn generating station and the providing of additional combustion turbine units there to provide peaking power. In the ministry's studies, we do have sufficient time to evaluate the results of the kind of programs that are being introduced not only in demand management but parallel development, and I should add as well the kinds of initiatives that are intended in the other major sectors of transportation and housing and the municipal area, which obviously will impact the degree to which electricity growth will escalate in the future.

The Chair: For purposes of Hansard, staff is now circulating the printed remarks of Robert Franklin, the president and chief executive officer of Ontario Hydro, and we would appreciate if the minister could express our appreciation for his circulating this for us.

We have now completed the assigned time for the 1990-91 estimates of the Ministry of Energy. I should now like to call a vote on each of the estimate votes.

Mr McGuinty: Mr Chair, I have additional questions. I wonder if it might be possible for me to file those

The Chair: I am advised that you could read them into the record, if you so choose, or just file them with the clerk. They could also be presented as questions in Orders and Notices for the minister's consideration.

Mr McGuinty: If I am to file them with the committee, of course that would be on the assumption that the minister would respond to them. That was my intention.

The Chair: They will be forwarded to the minister. The minister may wish to provide you with her assurance that she will give responses to those questions.

Hon Mrs Carter: Delighted.

The Chair: "Delighted," I think, was the word the minister used.

Votes 1401 to 1404, inclusive, agreed to.

**The Chair:** Shall the estimates of the Ministry of Energy for 1990-91 be reported to the House?

Agreed to.

The Chair: This now completes the estimates for Energy. We will reconvene at 2 o'clock in this room, where we will begin the estimates of the Ministry of Community and Social Services.

The committee recessed at 1157.

#### AFTERNOON SITTING

The committee resumed at 1406.

#### ESTIMATES, MINISTRY OF COMMUNITY AND SOCIAL SERVICES

The Chair: I would like to call to order the standing committee on estimates. We are beginning estimates for the Ministry of Community and Social Services. It is now eight minutes after the hour of 2. In accordance with standing orders, we have been assigned eight hours for the purposes of these estimates and today's session should be completed by 6:08 today.

Before we proceed—and indeed my intention, as I indicated earlier, is to ask the Vice-Chair to take the Chairman's role—I wish to indicate a couple of points. First of all, this is a public proceeding. For whatever reason, there seems to be a considerable interest in the Community and Social Services estimates today. I must indicate that there are no demonstrations allowed within the building and no commentary is allowed to disrupt the proceedings, which are being electronically recorded for Hansard. In the event that that should occur, the Chair may rule that the room be vacated, so I feel that we must advise our guests today.

I would also indicate that we have a fire marshal's order and that standing in the room is not permitted, as I now see it before me. Unfortunately, that is a fire marshal's order and so I would ask people to move outside if they do not have a chair. If you would please comply with that, I would appreciate it.

We will proceed with an opening statement, in accordance with our standing orders and precedent, from the minister, Zanana Akande—I would ask her to introduce her key staff who accompany her at the table—followed by comments by the critic of the official opposition, Mrs McLeod, followed by Conservative Party commentary and then a response from the minister.

Minister, if you will take the chair.

Hon Mrs Akande: Good afternoon. I have brought the staff with me from the ministry. I wanted to bring them all here, but there is not sufficient room and so we had to make do with the deputy minister, Val Gibbons, and Barbara Stewart, who is the director of financial planning, and Udo Stillich. I hope you can hear me over this, but it seems as though I am going to be competing with that sound today.

I am aware as I address this committee today that the ministry estimates we are considering applied to the 1990-91 fiscal year, a year that will be ending in a little more than six weeks. Though the rationale behind this budget was sponsored and supported by the previous administration, it falls to me to describe it, to interpret it and to identify ways in which it might be used as a base for new directions.

So let us all take a look at the life and times of the Ministry of Community and Social Services. Perhaps I should have said, "the life and hard times," because I am appearing before this committee at a time when the reces-

sion has exacerbated all social welfare problems Canadawide. For example, in 1989 there were 840,000 Canadian children living in poverty. That number has risen rapidly and increases daily.

The province of Ontario has enjoyed a relatively buoyant economy for a lengthy period. This would have been the time when preparations should have been made for leaner days. Those leaner days are here. I am sure you heard over the weekend the media stories reporting that many more jobs are being lost in the service sector. This means that women, in disproportionate numbers, will be adversely affected by the recession. In addition, numbers of manufacturing plants have closed their doors, permanently. This has eliminated thousands of jobs.

The numbers of people needing assistance in Ontario are escalating dramatically. Today, almost 35% more people need assistance than at this time a year ago. More than 338,000 children in Ontario are dependent upon social assistance. The need is real and distressing.

We asked the federal government, our partner, what can be done. They answered by telling us about deficit reduction and increased taxes and the high cost of war. They answered by limiting contributions for welfare benefits and social services. They answered with clawbacks and diminished unemployment insurance benefits. Our erstwhile partner is pushing people on to social assistance.

So here we are, facing the fact that this government does not have the money to solve the many problems the current recession has brought and the federal government has helped to create, but we have made a beginning.

We have dedicated \$700 million to providing jobs and rebuilding the public infrastructure. We are planning creative ways to put people to work at projects such as renovating homes for the aged and other facilities. As part of the package, we are looking at ways to provide individuals with training that will increase their employment prospects. This governments believes in investing in people, in helping them to help themselves.

I am here today to talk about the dollars that are committed to our mandatory services. I want to look at my ministry's priorities, directions and commitments to the people of Ontario. Let me emphasize the word "people." Yes, we are here to talk about estimates, budgets, dollars, but let us never lose sight of the fact that we are really talking about people—children and women and men with many different needs and hurts and frustrations. As we proceed, can we look beyond the dollars and keep before us the faces of people, the many people in this province who are hungry or handicapped or hurting?

Let us base our day's discussion on the consideration of directions. Let us be open to maintaining the systems that work. Let us proceed on the premise that our deliberations are founded in good intentions and good will.

In times of plenty, the competition of adversaries is stimulating and welcome. In the good times, we can afford the luxury of banter and controversy around the directions we should take. In hard times, we all need to pull together. Let us recognize the efforts of previous governments and build on that foundation. As minister, I assume the responsibility for keeping the ship afloat while changing its direction. I recognize that inheriting the budget means inheriting the responsibility to continue in present directions until well-considered changes can be made.

I cannot help thinking wistfully that "inheritance" usually carries a happy connotation instead of unpleasant sur-

prises when the will is read.

For the fiscal year 1990-91, the Treasurer allocated \$6 billion to this ministry. The money is being spent on the programs and services we are mandated to provide for children, for adults, for the physically handicapped, developmentally handicapped and those in financial need, a need that is overshadowing all our transactions. A need that must be met.

We may have to rethink and rearrange some services while we weather the recession, but we must deal directly with the ravages of unemployment and all its attendant ills. People who lose their jobs often lose their sense of dignity and their sense of self-worth, which can lead to depression, family abuse and family breakdown. We must find ways to ensure that existing and new employment programs are effective in opening doors for people who are out of work. We must provide more accessible day care so people will be free to accept jobs. We must provide counselling for those in distress and help them to help themselves. We will not leave people flat. We have to provide help right now and we have to give people hope.

I am inviting all of you today to get on board and work with us in effecting solutions. The future we must save belongs to all of us, but above all, the future belongs to our children, this country's greatest and most precious resource, but a fragile resource that is easily damaged.

This means, first of all, to recognize that government has a responsibility to support families raising children. We must become partners in parenting, rather than attempting to replace or supplant family, except as a last resort. Supporting families with children requires us to ensure that parents have adequate incomes to raise their children. It requires us to help parents balance the competing demands of work and family life by, for example, providing child care for working parents, to make sure that the systems serving children are sensitive to the needs and demands of parents.

We recognize that children do not develop in narrow compartments labelled health, education, social services and so forth. We must develop a system that attempts to deal with all the needs of the whole child. As a beginning, we have published and distributed the report of the Advisory Committee on Children's Services entitled Children First. We have established nine pilot projects to develop more effective models of service delivery for children at risk. This project is known as Better Beginnings, Better Futures. We have completed a major review of safeguards in children's residential programs to protect children and youth against physical, sexual and emotional abuse and assault. This review was conducted by the Ministry of Community and Social Services and the Ministry of Correctional Services.

1420

We are grappling with the reality of child and family poverty. I gladly accepted the opportunity to speak last week before a federal subcommittee in Ottawa on the subject of child and family poverty. We recognize that children are growing up in poverty because their parents are poor. We are squandering the futures of a generation of Canadian children because of their impoverished lives. Fourteen per cent of all Ontario children live in poverty. Thus, one in every seven children in Ontario is on social assistance of some kind. In the past 18 months, the number of children in Ontario dependent on social assistance has grown by 102,000, to reach a total of 338,000. While the federal government has introduced some measures to rescue people living below the poverty line, these people still face a marginal existence. A great number of moderateand middle-income families have seen their standard of living drop in recent years. Young families struggling to raise their children are hit particularly hard. Many families caught in the grip of the recession find themselves turning to social assistance for the first time in their lives.

I have reiterated that Ontario is seeking a commitment from the federal government to re-establish our historic partnership of funding health and social services. I have urged the federal government to remember the commitment made by the Prime Minister at the United Nations, as well as the unanimous decision of the House of Commons, to eliminate child poverty by the year 2000. Ontario is prepared to work with the federal government and has already moved to address poverty on several fronts. These are some of the things the Ministry of Community and Social Services is doing:

This government announced plans for an interministerial approach to poverty in Ontario last November. I promised then that the government would take these steps:

We have put the social assistance reform on a fast track. I have asked the independent advisory group on new social assistance legislation to accelerate its valuable work. The group will advise me as to which recommendations of the Social Assistance Review Committee could be implemented without legislative change as soon as possible.

We have improved social assistance benefits through rate increases of 7% to the basic allowance and 10% to maximum shelter allowances. This adds 2% and 5% respectively to the previous government's commitment.

A committee of ministries led by the Ministry of Community and Social Services will co-ordinate the implementation of those SARC recommendations that go beyond the scope of any one ministry.

Since municipalities were not given advance notice of the increases for this year only, the province will pay that additional increase. We shall draw on a special fund to support employment programs for people receiving social assistance and people with disabilities.

We are working with other ministries on many more initiatives to address poverty. For example, we have, as I have said, provided \$700 million for jobs through labour-intensive building projects. We have announced that the scope of pay equity will be broadened to cover an additional 420,000 working women. We have committed ourselves to

raising the minimum wage to 60% of the average industrial wage. We have introduced measures to ease the transition of workers facing plant closures. These include \$25 million for basic skills and commitment to a wage protection fund. We have established the Fair Tax Commission to ensure more equitable taxes.

We are working towards a revision of the child care system. Our aims are to achieve a comprehensive system that will contribute to healthy child development, will be more affordable and accessible and will be flexible enough to offer choices to parents.

Less than two weeks ago I announced funding amounting to over \$52.8 million. This funding provides an additional 5,000 child care subsidies, includes 4,100 new subsidies for child care spaces already in the community, brings relief to parents currently on waiting lists for subsidies, includes 900 new subsidies to go to child care spaces in new schools in 1991.

A fund of \$30 million will be used to enhance the salaries of child care workers in the not-for-profit sector who are currently underpaid. This is considered a down payment on pay equity. Although we recognize that all cannot be done at once, we are determined to do all that we can with the limited resources left us.

We are aware that, in the area of children's mental health services, the number of children who have been put on waiting lists is of concern. The ministry has been working with the Ontario Association of Children's Mental Health Centres to find resolutions to waiting lists for mental health services and perceived salary inequities between the professional staff in health, education and social services. The ministry has increased funding to community agencies, including the Ontario Association of Children's Mental Health Centres, from 4.5% to 5.5% in 1990-91 at the cost of almost \$21 million. The ministry has dedicated, in this fiscal year, \$58.1 million to direct care worker salaries in community agencies funded by MCSS.

The report of the Advisory Committee on Children's Services reiterates my own conviction that we need to make fundamental changes in the way we plan and provide services to children. We need to create a system that is truly flexible, co-ordinated and integrated and base such a system on the principles of empowerment, consultation, co-operation and accountability. This ministry is involved in a number of projects to increase interministry collaboration in children's mental health. I have pledged my leadership in seeking ways to link the various bodies concerned with children and families so they may work together to find solutions.

I would like to turn now to the multi-year plan, the plan that assists people with developmental handicaps by providing opportunities for community living. As perhaps you know, the plan has three elements: community development and nursing home and facility placement.

Community development has been emphasized to address the pent-up demands for services to clients who have not been institutionalized and the development of services to meet the needs of residents returning to the community. Many significant changes in service delivery have been achieved by redeploying resources at the agency level.

By 31 July 1990, placements from six nursing homes were completed with four homes being closed. As of 1 December 1990, 327 nursing home residents have been placed. New resources have been provided for facility residents, including 83 residents from Muskoka Regional Centre and approximately 500 residents from other facilities.

As you will recall, last November, I announced a temporary hold on community placement plans for residents of provincially operated institutions. During the hold, I met with representatives from a number of advocacy groups and we had frank and good discussions. Our meetings confirmed that none of the groups is opposed to deinstitutionalization. This is not to say that the current system is perfect, but I am convinced that creative approaches have been developed to meet the needs of people with developmental handicaps and their families in the community.

On 20 December I announced the lifting of the temporary hold. We are calling for a new beginning, a fresh start that recognizes and addresses the concerns of all the multiyear plan partners. Over the coming weeks and months, we shall sponsor a number of forums for consumers, families, advocates, workers, union representatives and leading experts in the field of services for people with developmental handicaps. The findings of this forum will help us to provide leadership in program development and delivery. We will also be looking for ways to improve the quality of service to developmentally handicapped people.

MCSS is involved, along with the Ministry of Health and the Ministry of Citizenship, in a comprehensive plan to reform Ontario's long-term care system. Reform is needed because of the growing number of elderly and disabled people in Ontario, the increasing prevalence of chronic conditions among them and their increased use of services. Since January, I have been meeting with Evelyn Gigantes, the Minister of Health, and Elaine Ziemba, the Minister of Citizenship, to review the proposals contained in Strategies for Change, which was developed by the previous government.

#### 1430

We agree with the intent of the proposed reform and agree that reform is needed. We accept many of the recommendations, question some and require further consultation on others. We are also looking at ways of strengthening the emphasis on people remaining in their own communities and of enhancing the community's capacity to support people in their own homes and neighbourhoods.

Once we have completed our own review, we will be able to announce our plans regarding scheduling of the reform. This will take place as soon as possible. We are committed to beginning a broad-based consultation as soon as possible. This will be a consultation which guarantees significant input from all those most directly affected by the reform, particularly the consumers and their families.

In June 1990 this ministry committed \$14 million to strengthen and support social services on provincial native reserves, with special emphasis on the continued development of the native children's services system. This ministry committed \$4.8 million to develop newly designated,

native-operated child and family services agencies in northern Ontario to provide guidance, counselling, family services and other child welfare services to native reserve residents.

This ministry committed an additional \$619,000 for native child welfare activities in southwestern Ontario, including hiring additional prevention workers on reserves. It also committed approximately \$7 million to go towards new native counselling programs based on reserves, to ensure the ongoing welfare of native children living there; \$600,000 of this total to go to Payukotayno Child and Family Services, based in Moosonee.

This ministry committed \$926,000 to provide on-reserve programs and supports to native youth. It committed \$126,000 to provide a crisis hot line telephone service 24 hours a day, seven days a week. This service is sponsored by the Shibogama tribal council and will serve several reserves in the Sioux Lookout area. It also committed \$800,000 to support development and research of two Better Beginnings, Better Futures projects on reserves and it committed \$500,000 for increased homemaking and nursing services for native elders who live on reserves.

The continuation of these initiatives is based on the government's respect for the right of native people to determine their own futures. We believe improved services for native children will give them a better chance to achieve their full potential and make contributions to their communities and to their culture.

The Provincial-Municipal Social Services Review Committee, senior representatives of the Association of Municipalities of Ontario, the Ontario Municipal Social Services Association and MCSS came together in 1987 to examine the funding, arrangement and delivery of social services. PMSSR consultation recently ended and responses from municipalities, community agencies and provincial organizations are still coming in and being reviewed.

As we look at the recommendations, it is clear that we cannot address the proposed changes to the social services system in isolation from the larger issue of provincial-municipal relationships. It is clear that current provincial-local arrangements must be made simpler, fairer and more efficient. It is also clear that the people of the province want services to be more accessible, more responsive and better co-ordinated. We have listened and we agree.

I hope our transfer partners will join with the government as we search for long-range solutions that will meet fiscal responsibilities while meeting people's needs. We may have difficult decisions to make in the future, but we must all work together to lay a solid foundation for economic recovery.

I would like to end as I began, with the hope that all of us can work together to find our way out of the economic gloom and doom surrounding us. Even while I was preparing these notes to speak to you today, news was breaking of more people in financial difficulty. In January almost 8,000 new names were added to Metropolitan Toronto's general welfare rolls. That is an 11% increase over December and an 83% increase over a year ago. While it is true

that Metro does not precisely reflect the provincial picture, those are pretty scary numbers.

No single simple solution is going to get us out of this economic mess. Together we can bring an enormous amount of ability, experience and creativity to bear on this problem. It belongs to all of us. Let's tackle it together.

The Vice-Chair: Thank you, Minister. I am just wondering, before we continue, if we could open that other door so that the people in the hall could hear. It means that the people sitting in front of it would have to move while it is open. If somebody tall could reach the top to unlock it, it would mean that those people in the hall could at least hear. Thank you, Mr Daigeler. I appreciate it.

Who is speaking for the official opposition? Mrs McLeod? Thank you.

Mrs McLeod: Thank you very much, Madam Chairman. Minister, I appreciate your remarks, and perhaps most particularly your second paragraph, which suggests that indeed the estimates we are reviewing in committee are the estimates prepared and supported by a previous administration, but that we will not make this process simply a review of those estimates and the achievements of the past but also a basis for looking towards the challenges of the future and some of the continuing concerns.

That is certainly what we would like to use the estimates process for, although I will begin my very brief response to your comments by sharing in your recognition of the efforts of previous governments and the fact that what you will indeed be doing is building on the foundations that were laid.

We recognize that the initiatives you have outlined in your opening remarks reflect achievements that we will be able to identify in going through the estimates process and that the initiatives you will be continuing into the next year are in very large measure initiatives that were begun by the previous administration: everything from the Social Assistance Review Committee to the Maloney report, to Better Beginnings, Better Futures, to the native social service workers, to the review of safeguards, to the proposals for long-term care.

I suggested to your colleague as we did the previous estimates that there is a rather generally held consensus in our caucus that your government is at its best when it is continuing our initiatives, and we will certainly continue to support you as you take forward progress in these areas.

I do want to state for the record as we approach the 1990-91 estimates that I have a great deal of personal pride in having been part of a government that was able to make truly giant strides in so many areas of social reform, and to give due credit to your predecessors, Minister, my colleagues John Sweeney and Charles Beer, for their commitment and their efforts in order to take that agenda forward.

You have indicated that you will be continuing with many of those initiatives and also looking at changes in direction, and we will certainly look with interest at the proposed changes in direction. I know that there will continue to be shared goals, just as there are shared concerns. When we share the goals and share the sense of progress, we will certainly support you in those new directions.

There will also be areas in which we have differences in perspective, differences in belief about what should be done, and I think very legitimate challenges to bring to bear.

I do want to just comment on one part of your introductory comments again. That was the inference on page 2 that the province of Ontario enjoyed a relatively buoyant economy for a lengthy period and this would have been the time when preparation should have been made for leaner days. With all due respect, I suggest, knowing the budget fairly well, that there were in fact preparations made for leaner days. While indeed there is a recession and indeed that increases both the need and the difficulty of responding to the need, there is still some surplus of over \$650 million, even though there was an operating surplus to begin with in that budget of some \$3 billion. I think it is important that we recognize that there were plans made for leaner days, fortunately, so that the progress that was made in social programs can be sustained even during this recessionary period.

I would certainly concur with you in your expressions of concern about the decreasing role of the federal government in providing support for social programs. My colleagues shared that concern, as our government did. That concern was expressed on many occasions by both John Sweeney and Charles Beer, and we will certainly support you in continuing to express that concern to our federal counterparts.

# 1440

We are going to approach the estimates process with a recognition of the specific issues that have to be addressed if we are going to make progress towards goals which we do in fact share. I will just very briefly indicate the areas that we plan to address during the course of the estimates.

Certainly some general areas in which we will want to raise some questions are the allocation of program budgets by the Ministry of Community and Social Services and exactly how those budgets are determined, how the global budget is taken to a regional level and from a regional level to a program level. We will raise these questions not because we want to discourage flexibility in the administration and delivery of programs, but because I hear growing concerns about equity and growing questions about just how priorities are determined from region to region across the province.

We will raise questions about capital budgets and how capital budgets in the Ministry of Community and Social Services are set, again looking at the issue of the global budget being broken down into regional budgets and how in fact priorities are then set between the needs in different programs and how reasonable costs for new facilities are established so that the dollars can be stretched to as many pressing needs as possible.

You have touched on a number of the areas which we will want to raise further questions in, certainly the area of long-term care reform: more specifically, the status and the commitment that your government will bring to taking forward the proposals on long-term care, and in the past year's budget, some details on the expenditures of moneys

that were set aside in the 1990-91 budget for long-term care provision.

We will want to discuss the issue of extended care beds and the balance that is found in setting priorities between placement in facilities, those who need to have a facilities placement, and providing support for care at home. Obviously, the support for care at home is essential and the extension of the integrated homemaker program is equally essential to the success of long-term care reform, but clearly too it cannot be one or the other. Residential care will still be needed, and we will be looking for answers to the question of balance.

I think we will want to raise some of the questions about the beginning of the implementation of long-term care reform and the appointment of the co-ordinators and how you would expect those regional co-ordinators would begin to function in taking forward the next steps in reform.

The area of social assistance, of course, will be a focus for our concern during this estimates process. You have indicated the January increase in the Metro welfare rolls. I can assure you from reading the clippings, as I am sure that you do, that this is not exclusively a Metro Toronto problem. Durham region in October was reporting that there was a 60.9% increase in the number of individuals on welfare over the previous month. In Waterloo in October, there were 5,223 families on welfare in the previous month, up 71% from September of the year before. Clearly this is an area in which we have to address the questions of the new stresses on social assistance as the recession has its impact, but we are also going to want to ask you about planned directions for the future and the progress you believe can be made in taking the social assistance reform recommendations further on in the next steps.

We will want to come back to the issue of deinstitutionalization. Having spent some time at the social development committee on this issue, the areas of our questions will be on the question of support for community placement and the degree of flexibility as well as the adequacy of the support.

You will be well aware that the questions related to child care are ones in which we will want to raise issues, both of the adequacy of support, of the need for additional subsidies and spaces, but also related to your most recent decisions about the effect of provision of what is essentially direct operating grants exclusively to the not-for-profit sector.

We will get into questions about children's aid societies, the numbers of children coming into care; the number of child welfare reviews over the past year, and the response to inadequacies in support for children's aid societies that have been identified in those reviews; questions of transition houses, whether new programs are to be implemented and whether there will be access to federal funds for new centres; and certainly—an issue you touched on in your remarks—the issue of children's mental health centres and whether or not, in anticipating an effort to increase resources to deal with waiting lists, adequate resources can be put in place in order to be able to move towards the Maloney report recommendations.

A further issue, of course, over a general range of programs will be the issue of salary equity and community agencies, which again we touched on in the social development committee.

We look forward, Minister, to going into the estimates on a vote-by-vote basis so that we can raise these very specific concerns, both to identify progress that has been made, the challenges of the future and what we can anticipate in next year's budget.

The Vice-Chair: Thank you, Mrs McLeod. The spokesperson for the third party, Mr Jackson.

Mr Jackson: Thank you, Madam Chair. At the outset let me say that I am pleased to be able to participate in the estimates process so that we are bringing attention to what I consider to be one of the most important ministries of the new government. We were only given the opportunity for six estimates and we are fortunate that this ministry is available to us, as is the minister, so that we can discuss the very pressing issues which, we all can agree, require attention. So it is very timely that we are here.

I would concur with Mrs McLeod that our approach as the critics will be somewhat different than the previous estimates that occurred this morning, in that it would be our intention to look at line-by-line items with respect to the budgeting process, with respect to what will be done with surplus dollars and the reasons behind why certain expenditures have run in excess.

It is an opportunity for us to cross-reference that with the Provincial Auditor's report, who was more than active in this ministry in his last auditor's report, which I notice the minister did not reference. There are several things the minister did not reference and I will come to that in a moment. But let me first briefly comment on the minister's statement.

I find passing strange the initial comments of the minister with respect to blaming at one point, a very clear line, the problem of poverty in this recession as solely that of the federal government. I guess one might suspect that the minister has more aspirations in Ottawa than she does to the performance here in Ontario. I can only come to that conclusion because it was obvious in the last election that your leader and your party made it very clear that the recession was very much the problem of the Ontario government of the day, because of its 63 tax increases and the very nature in which it was structuring taxation and not addressing certain social issues. It was the genesis of your Agenda for People in fact. However, I believe that a minister sitting in your position will ultimately be determined by performance under pressure.

You go on in page 4 to then turn your attention to Ontario and say, "Yes, I may go to Ottawa and criticize the federal government, but when I come back to Ontario, we really must join hands and have a non-adversarial approach." Now, Minister, you are a former educator, and if you were marking this as an essay, when you got to page 4 you would have made a side notation to your student that he had just contradicted himself. I do not know what mark that would ultimately get, but for me I see that as a bit of a double standard.

I can only say to you that my version of how I operate is that I advocate according to my conscience and I am fortunate that my party allows me to do it. We should be fair to say that when one changes from opposition to government, the ability to do that is severely limited. But while I am in opposition, I appreciate very much my opportunity to speak according to my conscience and to speak as loudly as I am able to do. So therefore I will not see the non-adversarial approach as anything other than some kind of compromise. When matters of discrimination exist, I cannot compromise and join hands with the government.

1450

Setting that aside, I should like to agree with the comments from my colleague in the Liberal Party, Mrs McLeod. I too have great respect for John Sweeney and some of the work that he did. It was very abundantly clear the power that he had in cabinet and the ability that he had to convince the cabinet of the day that the special needs his ministry had required immediate government attention and an injection of funds, and the list is very long where he was able to succeed.

On the other hand, it is also fair to say that the auditor's report does contain an examination of the previous government and not your government, Minister, and that it uncovered some very serious matters. I cite the Brantwood case as the most serious and dramatic of all cases.

I guess I would like to conclude my comments vis-àvis the response of the two previous speakers by suggesting that the importance of a partnership with any level of government is best understood when we examine perhaps the reason why there has been a capping on the increase of the transfer payments you discussed.

That has much to do with the fact that the Ontario government two years ago implemented an employer health tax which, as every member of this legislative committee understands—the federal government is the largest single employer in this province, and therefore, when the provincial government produced the employer health tax, it created a bill to the federal government that is far in excess greater than the transfer payment we lost in the sweepstakes.

Essentially the federal government says: "We have a responsibility to all the provinces in this nation. We act as parents in a family of provinces and when one province decides that it should grab an undue share of the resources of our nation, that we have to somehow compensate." I very much see the difficult situation in Ottawa as a function of this opportunity for provincial governments to punch a larger hole in the same pail of taxation revenues that are paid in this country.

I would like to approach that in a more balanced fashion, and I have tried to indicate to the minister that there are many things we could have presented before the all-party committee in Ottawa dealing with child poverty that might have proved more helpful. I might even go so far as to say that if Sheila Copps—everybody has an opinion about Sheila Copps, but if Sheila Copps can put together a comprehensive proactive package to present to the federal government, I think the least that the Minister of Community

and Social Services in this province can do is something comparable. Having said that, I wish to now focus on the areas as you as minister have defined them in your presentation.

I would ask you to correct me in turn, but I can only presume that the comments raised in your brief represent the priorities for your government. They do not constitute all your priorities, but they represent a list of the priorities as you see them currently. I note that you have started with child care, and I note—as I think Mrs McLeod has noted—that it was a substantive election promise. We know how difficult it is to implement election promises, but the issues of child care have become far more complex today, based on your announcement two weeks ago, than they were during the last provincial election when it was simply expanding spaces and dealing with the inequity of pay equity and legitimate pay equity needs of workers, professionals in day care centres in Ontario.

I understood that you were unable to expand the system to the extent that you had hoped, but I was shocked that your treatment of child care workers was specifically to offer the enhanced funding for those in the public sector and not for those in the commercial sector. In my view that represents a form of discrimination and one of the questions I certainly would like you to address at some point—

[Interruption]

The Vice-Chair: Excuse me. We do not permit any form of demonstration in this committee room, so I would appreciate it if you would take regard of that ruling. Thank you.

Mr Jackson: I would ask the minister if she could please indicate what legal counsel she was given with respect to any test that might be given where persons performing the exact same work under the exact same circumstances for the exact same children can be discriminated against from a funding point of view from the province, and further, based on the notion that the current funding has checks and balances within it, a safeguard that ensures there is automatic pass-through of these provincial dollars right directly to the hands of the teachers and child care workers.

So I would ask the minister to explain in more detail why this was allowed. I recall very vividly your Minister without Portfolio responsible for women's issues (Ms Swarbrick) stating that there was great hope for the Rae government on the issue of women's issues because there were now 11 feminists in the cabinet. This is a matter of Hansard.

I was fascinated by this statement. I understood the statement. I understand she was at least including you in that statement. But I cannot believe for a moment that Ms Swarbrick can publicly articulate a defence of this position which so blatantly discriminates against a segment of workers in this province who are women. I joined the NDP in voting against pay equity because it excluded all day care workers in this province, not excluded the ones that were comfortable with my ideology.

On children's mental health, which you mentioned as your second area of concern, I have concerns because you

and I discussed in the exact same forum several weeks ago that your government's emphasis was going to be on prevention. You have provided some pilot projects, but you would also be aware that we still have 10,000 children on waiting lists and that those children are experiencing increased difficulties because we cannot provide the services.

In my own community there was a headline just this last week and I will share it with the minister, but we have had an unprecedented increase in teen suicides in my community and people do not want to talk about it, certainly not publicly, but it is one of the ugly consequences of our inability to reach out and help these children.

This cuts across all lines, as you know. It has nothing simply to do with poverty; it is not simply to do with family violence. It is a complex issue but we have identified those in need. They are calling out to us and yet we seem not to have the political will to make that a priority. I can state with clear conscience that it is a priority for our party and we have clearly made that position both in committee and in the Legislature.

To illustrate the point, we discovered in our last committee hearings that moneys were being used to assist the bump funding for pay equity, but in fact the total number of spaces for children's mental health services is actually declining in this province.

With respect to the multi-year plan, Minister, we very much disagree. I do not wish to dredge up the matters that both Mrs McLeod and I raised in the Legislature about your halt, but again I would have hoped you would share with this committee some of your plans with respect to the multi-year plan in more detail.

I wish to let you know my concern with respect to the delivery of speech and language therapy programs. The minister has been written to by several groups. I know she has received direct correspondence from the St Catharines Association for Community Living and others such as the Down's Syndrome Association of Ontario. These organizations have explained to you that we have a gap in service. The Ministry of Health will not deal with these children because they are not developmentally delayed and yet Comsoc will not deal with them because they are developmentally disabled, and this gap allows far too many children in this province to fall through the cracks. Certainly, you are the minister who needs to be advocating to correct that situation.

1500

Long-term care: I share the aspirations of the minister that the long-term care objectives be successful. But in two previous forums, you and I have exchanged our concerns and I am nervous about any envelope system for funding which allows various groups to fight over a limited-dollar envelope. As much as we would like to say things are rosy in long-term care, the fact is that there are about 1,200 fewer beds available today in homes for the aged in this province than there were four years ago. To the extent that number is close to being accurate and current, that is unacceptable.

It is unacceptable when we consider that you had an election promise that you were going to increase the integrated homemaker program, because if you are not going to be in an institution you will be in an integrated homemaker setting. Yet in your throne speech, there was no mention of the integrated homemaker program. That is when we saw it was being dropped.

Today in your presentation there was no mention of the integrated homemaker—that was a \$62-million-over-two-year election promise. Now if you cannot do it, fine, but we cannot also continue to reduce the beds for homes for the aged, nor can we allow them to remain vulnerable in an envelope funding system, if the government cannot find the moneys to deal with it.

I would hope that we would be able to have some time to discuss what your plans are and how you are going to approach the Minister of Health (Mrs Gigantes), who in many cases has the upper hand, but quite frankly you have the ability to change the direction more dramatically than any other minister, in my view.

I have expressed to you my concern about the fact that we have district health councils growing in strength as a delivery mechanism for funding. We have school boards competing as another council dealing with an envelope of funds, and we have the Maloney report, Children First, which also deals with the concept of an envelope system and setting local priorities for a delivery system. Nowhere can I find any politician in this province, or any bureaucrat, who can talk to me about how we ever hope to integrate these three competing agendas when we are all fighting over the same child.

Now that leads me to a point about the concept of a Ministry of the Child. You would make my day if you would publicly state your views on whether or not this province should have a Ministry of the Child. I know that several organizations in the same committee that you presented to on child poverty in Ottawa indicated their absolute support for a Ministry of the Child, as did the national teachers' body, as did Colin Maloney and the Children First report. But I leave that to your own option as the minister, if you are comfortable in talking about that. I certainly support it and I use that as one example of how we have competing groups.

I only have a few minutes left. I will not address native social services except to say that it was abundantly clear in children's mental health services, when we examined them—we had before us two representatives of the native community in this province, native peoples, and they indicated that they were a native service in name only, and that until the government is able to train and promote qualified personnel to be front-line workers with solvent abuse, with family violence, unless these are members of the native peoples talking and healing within their own council band healing circles—that you can pour three times that amount of money into the program and we will still have a long string of native leaders coming before legislative committees telling us that we are a native service in name only.

I wish to close on perhaps the most important issue to me today, and it is one of the most important issues that our party has expressed. That has to do with the fact that there has been no mention in your presentation on the fate of transition and interval house funding in the province of Ontario. In fact, I am surprised that there is not one reference to domestic violence and the services which they are entirely dependent on your ministry for.

If the minister is not aware, certainly her deputy is aware of the positions I have taken with respect to pushing this agenda, and I am rather concerned that we are not seeing it emerge as a priority for the government. I am concerned that in the provincial-municipal social services review there have been serious questions about leaving transition and interval house funding to local option, when we know that there are serious problems with municipalities, which take a rather sexist approach to the delivery of this service—municipalities that are charging far more for their per diem rates, municipalities that will not allow for expansion. And yet we would hope that during these estimates you would be able to make a clear statement of where you stand on the issue as it relates to the future fate of transition and interval housing.

There are between 8,000 and 10,000 women who are turned away from shelters who are the victims of domestic violence, and some suggest an equal if not slightly larger number of children. It strikes me that if there is one thing that we can be doing to help future repeat offenders of violence to break the cycle, it would be to assist these families in removing themselves from violent situations. The solution is not counselling done during the hours of school, because the child goes home to a sexually abusive situation or to a violent situation, and so the answer is clearly to remove them from the violent situation.

And yet, in recent meetings with you—this is not my opinion, this is a presentation made by the Ontario Association of Interval and Transition Houses—they have indicated that they cannot get a positive answer from you in terms of supporting a change in the funding mechanism. So I would ask, Minister, that we spend some time during the estimates process dealing with this very important issue.

Three other issues which were not mentioned, I will not talk about. I will simply say I hope we will have time to discuss the deficits of children's aid societies. I have several letters to share with the minister, where programs to families are being cut at a rapid rate in order to deal with children's aid society deficits. We have not mentioned anything about food banks and I am sure the minister would like to discuss what is happening to food banks.

In closing, I would hope that the minister could give us a specific time line for a social worker act. I know she shares with me concern when reports in the newspaper indicate that a person in a community in this province who has a record of sexual abuse is able to set himself out as a social worker and present himself to provide day care services. To the extent that that is true, part of the problem is we have not got a regulated social worker act in this province.

Minister, if it appears that I am being overly critical, it is because I am impatient for reform when I look at the conditions in my community and others in this province. I know that all members of all political parties share those concerns, but I believe very much that the process of reform in this province is very much aided and assisted by

all those who advocate for what they believe in. Thank you very much.

The Vice-Chair: Just for the benefit of the committee members who are here this afternoon who were not here this morning or yesterday afternoon, I would like the concurrence of the committee that we proceed as we have been, if you are in agreement, which is that we rotate through the parties. The minister is going to have 15 minutes to respond and then—

Mr Jackson: She has half an hour.

The Vice-Chair: Another half-hour, and then we are going to rotate 15 minutes per caucus. Is that still a consensus?

Ms Haslam: Sure.

Mrs McLeod: May I just raise perhaps a variation in the procedure. As we looked at the estimates from the Ministry of Energy, because essentially all of our questions focused around one vote item, it seemed appropriate for us to deal with time blocks. In the case of the Ministry of Community and Social Services, I would think that there are very few vote issues on which we do not have some substantial questions. I am wondering, for the sake of continuity and following through the issues, whether we might go by vote or by issue.

1510

Mr Jackson: I am amenable to any approach, but while I was sitting in the chair, the minister shared with me that one of her key personnel is available this afternoon for one of the votes, and I think it would be important that that be shared with the committee so that we can govern our time accordingly with a specific vote. Other than that, I am willing to go with whichever—

The Vice-Chair: Who is that?

Hon Mrs Akande: The former chair of the Social Assistance Review Board, Joanne Campbell. She is currently unemployed and in the meantime she could be here. Is it this afternoon at 4 o'clock?

The Vice-Chair: What vote number is it? What vote number does that come under?

Ms Stewart: Vote 2—sorry, vote 1.

The Vice-Chair: Vote 1, okay. Then perhaps if the committee is in agreement we could—all right, somebody from the government.

**Ms Haslam:** I would like a point of clarification. Are you asking that we take a vote after every issue?

The Vice-Chair: No.

Ms Haslam: No. Because I prefer what we did this morning, that is, vote at the end of the time.

Mrs McLeod: I have absolutely no difficulty with the reordering of the votes. My sole concern was that there be some continuity in our questions rather than jumping from area to area. But I would certainly be happy to accommodate the presence of particular staff or issues that members of the committee wish to focus on in order of priority.

The Vice-Chair: I think we will do that, but I think in fairness we decided that it helps the new members if we do not keep it so structured that they cannot go back into

another vote and ask a question that has arisen from some other area. I think that way they can extract as much information as they wish.

**Mr Daigeler:** Am I right, then, that we are going to proceed by vote, and within each vote each caucus will have 15 minutes until they have completed with each vote?

The Vice-Chair: No. We are going to have the actual voting at the end, which will be tomorrow morning, and I think we will start with vote 1 this afternoon because Ms Campbell is available. But I understand that she is the only resource person who cannot be here for the—

**Mr Daigeler:** But within that discussion on vote 1, we will still pursue the previous practice of giving 15 minutes to each caucus.

The Vice-Chair: That is right. We will have the 15-minute rotation, but if someone does not have a question on vote 1, he is quite free to use part of his 15 minutes on any other vote. I think we will proceed.

**Hon Mrs Akande:** You know, of course, that Joanne Campbell can only be here this afternoon.

The Vice-Chair: That is right. The committee understands that Ms Campbell can only be here this afternoon. Minister, you have your half hour to respond.

Hon Mrs Akande: Thank you very much. I expect that the best way that we could go through each of these topics, and I hope that it will be so, is later on in much more detail as you ask questions and in particular. But I did want to make some general remarks concerning the areas that were mentioned.

I did in fact in my opening remarks call us all together in other than an adversarial attitude in order to come to some conclusions or some solutions which might be effective for the people who we serve. That was not, however, to imply that there should not be criticism. I am a firm believer that where two people always agree, one of them is unnecessary. So I welcome your criticism and as a matter of fact, I depend on it and I have grown to expect it. So I would like to clear up that. Many of the decisions that are made when everyone agrees are not the kind of things that one would think are well-thought-out.

Let me talk first of all about the design of the budget. When one designs a budget, it is used, most definitely, to indicate the priorities of that government. It is used to indicate those areas where we feel that a great deal of money should be spent because a great deal of focus and attention is required. It certainly is used in a way that identifies where we feel the need is, and where we think that need must be served basically and entirely.

However, when one defends a budget which is designed by someone else, it is assumed that the intentions of those who designed the budget were of the best intentions. I can and my ministry staff certainly can speak to the priorities as the budget has indicated them, but I make no claim for their being entirely mine. There are many that I support; there are some that I question, however. They are the budget priorities as designed by the previous government, and as I say, there are many initiatives which I would support, but others which I cannot.

Let's look for a moment at the initiative around long-term care, because it was one that both Mrs McLeod and Mr Jackson have mentioned. When we received the information on long-term care, one of the things we identified was that it required a wider consultation. Within my office now and certainly within the ministry, there are several letters, a great deal of communication, where many people have written to us and requested further consultation on the long-term care. In fact, they have suggested, and perhaps erroneously, that they have been omitted from the consultation and consequently they feel that their particular position is very risky, that in fact something is about to be implemented which may act in contradiction to what they see as being effective for seniors and for the disabled eventually.

What has happened among that group—there are several, not the least of whom are the francophone population and also the multicultural community, who have felt that some of the design has not allowed for a consideration of the fact that they have developed some of their own services and what that accommodation would look like in the initiation of a new program.

There has been no decision from this government to reject what has been done with long-term care. Rather, what we have decided is to study it and to ensure that those groups that have contacted us have an opportunity to be consulted, have an opportunity to tell us what their concerns are. I met with such a group this morning.

Some of the things about their concern are in fact some of the things that are raised by Mrs McLeod and Mr Jackson—the district health system, which has been a concern, the envelope funding, if I may use your expression, and what particularly is being done by the managers of the system who were hired in long-term care and who they are consulting with and what decisions they are making. As a matter of fact, the communities have stated that rather than being consulted, they were informed about the actions and did not have an opportunity, except if they submitted in writing, to respond otherwise. So some have communicated their concerns, others have not. We have begun a period to make sure that we are consulting with all these people.

While that is happening, you mention about the extended care beds and let me say very emphatically that we recognize the need and we are not about to leave anyone at risk or to operate in a system that is once again going to enlarge a system which we eventually feel will be decreased. What that means is that we have actually moved towards fast-tracking our consultations on long-term care. It is a committee which exists at the ministers' level and the three of us have employed staff to focus in and work very quickly around these initiatives because we realize that we are not interested in enlarging at the area where we feel it is necessary to reduce it.

### 1520

We also recognize that there has to be support for care at home. In fact, the longer it takes for us to bring in long-term care, the more we have to be concerned about ensuring that there will be support for care at home. We have asked all of our agencies and all of our area offices to be alerted to any areas where they feel there is a deficiency in need so that we can move quickly to respond to that.

I am sure that you will have particular questions about long-term care when the question and answer period begins. I did want to mention to you and emphasize once more that it was not our intention to bring this whole area into long consultation and long discussion, because we recognize the need is immediate and because we are unwilling to grow a system that we will eventually be moving or changing.

I wanted also to talk to you about your mentioning the growth of social assistance and your feeling, or at least as I inferred it, that this was not appropriate to mention to the federal government. Let me give you some clarification about that.

Certainly when one talks to one of its partners in the provision of social assistance to this province, it is only appropriate that we should talk about the funding relationship. The federal government has made it quite clear. It is certainly not an issue that any of us can be unaware of. The federal government has capped, put a cap on CAP, and has made it quite clear that it is gradually moving out of providing social assistance to people.

You mention of course that Ontario's growth in the social assistance area and its use of funds and its, if I may quote you, overspending of funds, is really common to Ontario alone. Well, this becomes a problem that must be addressed, because of course Ontario is one of the provinces which is extremely attractive in times of recession. What happens is, many others from many other provinces, as well as people who are immigrants, move to Ontario feeling that the economic situation may be better here, they may be able to find work. And so our numbers have grown. The mandatory nature of those particular programs means that there is not really any control that can be put there.

Now, for the federal government to pull out or to reduce its support means that the province must carry more and more of the responsibility—this at a time when the municipalities are also suffering from the funding—and the cost of social assistance makes it doubly difficult. Recognizing that or identifying or emphasizing that for the federal government is only to remind it of its responsibilities to the people of Canada; it is not to deny our responsibilities to the province of Ontario. But this is a shared responsibility and I think it is only fitting at a time like this, at a time of recession, that this should be emphasized.

Further to that, the federal government, I believe, has contributed to this recession. There are those who claim that this is a made-in-Canada recession and that the federal government's previous policies, which I will not take the time to outline now, only to mention the absence of the training programs that were promised when free trade was initiated and in any great numbers that allowed people to retrain for other jobs, certainly are an example of that; the additional GST tax which also brings hardship to people. The federal government has considerably contributed to the difficulties that are being felt by the people who are on social assistance and even those who are the working poor.

So it seemed to be fitting to go to the federal government and to make a presentation to it about the need.

I wanted also to mention the multi-year plan. This is something that, as Mr Jackson has stated, we have discussed in this forum before. The multi-year plan is certainly a plan that all of us, I believe all three parties, do support. I do not believe there is anyone who would support the developmentally handicapped being maintained in institutions when in fact they can be moved into the community. The support of that initiative was never in question. What was in question was the process by which it was being done and the end result for some individuals, so a temporary hold was put on that multi-year plan; a short time, something like six or seven weeks. But during that time it allowed me to clarify some very important questions. Let me discuss those questions for you once again.

One of my concerns was that there was no standard process allowing for individuality of the clients, no standard process by which people were devolved from the various institutions. What that meant was that there often was no single standard, no criteria, no set of written supports that were shared by the facilities and the community agencies and the family. What that meant was that what might happen in one part of the province or in one facility may not occur in another. The absence of those standards made monitoring difficult and also made it difficult for me to have assurance that no one was being put at risk.

Another concern about the multi-year plan: There was great concern that the workers be treated fairly. One of the speakers has referred to the difference in terms of the salaries and the supports given to the workers who moved to community facilities. What that encouraged, of course, is that workers were often leaving. Sometimes the facilities themselves complained that the workforce or the labour force was unstable and that they would leave. This, of course, would also put clients at risk. We were concerned that workers were treated with a degree of fairness, so that we could be assured that people were not at risk.

During the time we put the multi-year plan on hold, we were in consultation with several people: Mr Zwerver from the Ontario Association for Community Living and several others, including those members of groups who were concerned about their child being moved away from government facilities. We felt it was important to confer with all groups before we made our decision.

In connection with the auditor's report, and that flows naturally from our discussion, you have mentioned Brantwood as an incident or example of something which I had not addressed. The auditor's report, I am sure you will recognize, was the report of the running of the agency during the previous government's mandate. We did react, though, to the auditor's response. We have asked Pat Mandy, a nurse, to review the facility, to review the services. She has been in touch with me; she will be reporting directly to me. She has been into the agency at this point three times and is continuing to assist them in implementing the recommendations that have been put forward by the auditor and others we made when we went to visit.

1530

Subsequent to the information about Brantwood, when we heard about the auditor's concerns the Premier and I went directly to the facility. We did visit it, we did respond with speed and with the kind of thoroughness that would ensure that people were not at risk. What we found, let me be clear to say, was that many of the clients there were medically fragile, requiring a great deal of care, and were being cared for by staff who demonstrated a great deal of sensitivity to their needs and a great deal of concern, and recognized that while errors had been made, they were the result of changes in staff, temporary staff being called in when there was not full-time staff and a requirement for additional staff.

Pat Mandy is still in there reviewing the situation and assisting them with implementing those recommendations, and finds, as I have stated, that those clients are being cared for with a great deal of sensitivity and with a great deal of concern on the part of the people involved. I do not think many people recognize the medical frailty of the people they are caring for, so I did want to mention that.

Concerning the transition homes, I want to tell you that during this year we are looking at there have been 11 new homes and 98 beds opened for women who require emergency housing. That is not to suggest that that is enough. That is not to suggest that it comes even close to being enough, but it is to suggest that this ministry is consistently committed to doing all it can for people who are at risk and are in need of services and support.

It was not our decision to leave this entirely to the municipality. No decision regarding that has been made at all. As a matter of fact, I have received many lobbies from various groups, and we are quite aware that people in certain municipalities would rather those homes not be included within the towns or within the areas close to the towns where the actual needs or the actual abuse occur. That has us very aware of the fact that we are not even considering that we would leave this entirely up to the municipality, not only the decision about whether they would have such homes but also the decision about how those homes would be funded and whether they would be funded. It was never our decision to move it directly and make it the sole responsibility of the municipalities.

One other area I did want to mention was the children's area. When I talk about the children's area, I am going to talk about it generally. I was part of the advisory committee on children's services that produced Children First, which Colin Maloney chaired, and I am very familiar with the process we went by in order to get the information and to address ourselves to that report and why we came out with it as we did.

The children's area requires revision and so we have begun; revision, because, as you know, the services for children are currently allocated directly relative to the particular ministry, whether it be Education, Health or Community and Social Services. Children are not compartmentalized; therefore, they require a service that is all-inclusive and addresses their needs rather than transferring them at a time when one group thinks it is no longer its responsibility.

If you look at the revision of the system, then of course you must include all of those things that involve children. You must look at not only children's mental health, but also child care. You look at a system which involves the provision of services for children from the time they enter it, whether it be child care or initially on their entrance at school, to a time when they are adults. It means those services must be community-based, that they must be easily accessed, that they must not have different lockstep entrance points as one moves from the other, that they must be influenced in terms of design by the community they serve, and that they must be somewhat responsive to that community.

The decision about a children's ministry or a children's authority is certainly not one I have rejected. What I have said is that one must always be aware that in the creation of a ministry, you create yet another bureaucracy—with all due respect to my colleagues. You create, perhaps, sometimes, another hurdle that has to be crossed. You create another entrance and exit system, and sometimes you operate in a way which prevents a co-ordinated and collective activity rather than supports it.

So I am saying it has to be looked at carefully so that it does not act as a prevention to the very thing we are trying to effect but in fact sponsors those things and increases the

way they operate.

One last thing I did want to mention, native social services. I wanted to mention that because it is very timely; we have been meeting with various native groups. The native social services—there are three; there is a precedent. We do have three native Children's Aid Societies that operate somewhat on their own, but they do operate currently under the Child and Family Services Act. That is, for some of them, the tie that binds. Some of them feel it prevents the way they deliver services because they must be accountable to a certain process that is authorized in that legislation.

Interjection.

Hon Mrs Akande: Food banks? No doubt we will discuss food banks. We have had pros and cons on food banks. Some of the very food banks that said they did not want the money to get themselves out of the food bank business accessed the money to get themselves out of the food bank business. It is interesting to me. Today there is a story in the news about somebody who is getting out of food banks. We are very interested in that, and I am interested in the ways in which—perhaps we will have an opportunity to talk about that—people have been using the money to work themselves out of food banks.

I do not want to run over my time.

The Vice-Chair: Actually, you have another five minutes.

Hon Mrs Akande: I think I will stop there, because I believe, if you will bear with me for a moment—

Mr Jackson: The social workers' act.

The Vice-Chair: You are being coached, "The social workers' act," he said.

Hon Mrs Akande: I am sure he is going to ask about that. You did ask, Mr Jackson; I will tell you. Concerning

the social workers' act, I have currently received three groups—am I correct, or is it four?—who have come to discuss with me the pros and cons of the social workers' act, and how—it is not whether, it is how—they feel it should be written, who they think it should include, who they think it should exclude, the framework in which it should be given. We are really quite interested in addressing that. It is the fact that to exclude some groups from the social workers' act is to leave some communities, notably some of the multicultural communities, without services or without services that they feel are adequately labelled. I will stop there.

The Vice-Chair: Thank you, minister. Now we are into questions and answers.

Mrs McLeod: And, Madam Chairman, whether or not we are going to go vote by vote. I understood you wished to have one particular vote first—

1540

The Vice-Chair: There are only two votes, but if there are any questions on vote 1 and you need the resource person, Ms Campbell, here, then I would suggest that those questions on vote 1 in her area are asked today, because she will not be here tomorrow morning. If you would like to proceed in rotation at 15 minutes per caucus, we will start with Mrs McLeod.

Mrs McLeod: I need to clarify the procedure. I recognize that there are only four votes, but there are subitems in each one of those, so it would be helpful if we knew specifically which item you would like to have staff members address.

The Vice-Chair: There are only two votes, and we can discuss anything within those two votes. I am saying that if you have questions in vote 1, which is Ms Campbell's area, she is only here today, but it is up to you how you use your time and what area you deal with. If it is vote 1, it has to be with Ms Campbell's area today. Is Ms Campbell here?

Ms Stewart: She is expected at 4 o'clock.

**The Vice-Chair:** Well, that answers the question. Ms Campbell is expected at 4 o'clock.

Mr Daigeler: To start with the first vote and put a general question in the context of the first vote, as we of course are able to do: Minister, I am interested in your basic approach to your portfolio. Mr Sweeney was highly successful in his effort to convince his cabinet colleagues, in particular the Treasurer, to increase the budget for Comsoc. If I am not mistaken, he almost tripled his budget when he was in office. We are not talking peanuts. There was a lot of increased funding that was provided to that ministry.

Do you hope to repeat this feat? If not, which I think is likely—after all, the pie is somewhat limited—where do you see your priorities? If it is no longer possible to increase the allocation in comparison to the other ministries for the Ministry of Community and Social Services, how are you going to plan to manage the tremendous needs that are without doubt there?

Hon Mrs Akande: First of all, let me tell you that I hope not to have to increase the budget. I am talking on a percentage increase; I am not talking only dollars. I hope not to have to, because it is the feeling of this government that you do not even begin to address the question of poverty by increasing social assistance. You begin to address the question—

Mr Daigeler: I do not think Richard Johnston used to say that.

Hon Mrs Akande: Maybe there is an advantage, or perhaps there is a disadvantage, in my not having been here when Mr Johnston was here. At least I do not have to accept responsibility for his comments.

Mr Jackson: They were pretty good, though.

Hon Mrs Akande: I am sure they were. I have no question about it, but you are stuck with me, so would you let me answer the question?

I hope not to have to do it, because I really do believe that the way in which to address the question of poverty is not to have more and more people needing social assistance and therefore more and more dollars to shore them up; it is to find ways to put people back to work. This is why I have said so often that the question of poverty is going to be addressed by this government interministerially.

We will be looking at back-to-work projects. We will be looking to the Minister of Labour, and he has already responded in terms of his pay equity announcement and the increase in the minimum wage. We will be looking, as we did, to the honourable Howard Hampton, when he addressed the question of parents being responsible and the possibility of wages being garnisheed for parents who did not carry on their child welfare.

What I am trying to say is that it has to be addressed by many ministries and it has to be addressed in a way that puts people back to work and allows them to continue their lives with some pride. Otherwise the problem becomes cyclical. In my other life, as I am wont to say, I was a schoolteacher, and one of the things that became very, very clear to us, and you certainly did not need to be a schoolteacher to know that, is that when children grow up in situations where their parents have lived on social assistance, the likelihood is that that becomes cyclical. They too feel defeated long before they are even in the game, so you have very little opportunity to make a real difference with them. That is why I am here, and it is for that reason that I say that increasing the budget is not the most important thing to me.

Having said that, I have to turn around and say that certainly I have to go to my cabinet ministers, as I often have and as I often do and as they have responded, and ask for increases. These are mandatory services, services that you have to pick up and you have to support. This is why, if you will permit me, I refer to the federal government. If the municipalities are hurting—and they are hurting—and if the federal government is pulling out, the load will fall to the provinces. We are in a recession, and that is no secret. So eventually what happens is, how do you support the work? I am saying that all of these things from all of these ministries become extremely important.

Mrs McLeod: Again, I am just going to clarify. We are going to deal then with vote 801 and attempt to move through the questions on an item-by-item basis. Are you having a time allocation for each of the caucuses?

The Vice-Chair: Yes, 15 minutes per caucus, but the order of questions is entirely up to you.

Mrs McLeod: But you do want those restricted to vote 801?

The Vice-Chair: No.

Mrs McLeod: You are going to open that wide-open? The Vice-Chair: Yes. It is the wish of the committee. Interjections.

Ms Haslam: No, the committee agreed to open it up.

Mr Jackson: No, that was not the minister's—Madam Chair, since the point has been raised, my understanding was that you indicated that those who wished to could. We would respect the presence of Ms Campbell here, but you did indicate that we would still respect the right of members to pursue questions in any other area if they so choose.

The Vice-Chair: That is right.

Mr Jackson: That was the assumption I thought we were working on. If we choose not to interview Ms Campbell with respect to our questions on SARC, we reserve the right to ask those tomorrow of the minister, and conversely, if I wish to ask other questions while Ms Campbell is here—I might also remind that Ms Campbell is here at the need of the committee and not the need of the ministry. We just found that out recently, so we will proceed according to—the committee sets its own agenda. That is my understanding of the house rules.

The Vice-Chair: Exactly, and you recall that yesterday we did not necessarily refer questions of a matter to the person who was here, but we dealt directly with the minister. That is the choice of the committee.

Mrs McLeod: In that case, Minister—and I am going to keep coming back in the hope that there can be some continuity—I was hoping that we could recognize that I think there are a number of people here with a particular interest in one item and that we would move to that item within the second vote and perhaps deal with that issue. I would be happy to have those particular concerns recognized at any point so we can focus on them.

The Vice-Chair: Mrs McLeod, that is entirely up to you. The only thing I am saying is that if you had specific questions to Ms Campbell, you would have to ask them today when she is here. She is not here until 4 o'clock. If you do not choose to ask her any questions, that is up to you.

Mrs McLeod: Madam Chairman, I understand the ruling. I would have preferred something that allowed us to focus in area by area, but in an attempt to do that with the questions, I am going to ask the minister to look at the area of child care which falls under vote 802, item 5, and as well is referenced on page 20, indicating your new initiatives.

Specifically on page 20, included in the total of your estimates for 1990-91, is the \$2 million to provide direct operating grants to 3,200 new licensed child care spaces. I would like to ask if you know, looking at that specific estimate figure, how many of those are in not-for-profit centres and how many are in for-profit centres and what the average subsidy then would be per space?

Essentially, Minister, I want to establish the basis for the direct operating grants, which are currently being provided to both for-profit and not-for-profit centres, to get some sense of the distribution of the existing direct operating grants to the not-for-profit and for-profit sectors, and I will proceed from that to asking further questions.

1550

Hon Mrs Akande: Historically, the direct operating grant was offered to the for-profit sector child care centres that were in existence as of December 1987 and those were the only for-profit sectors that did receive the direct operating grant. Any other for-profit child care centres that came into existence after December 1987 did not receive it. The not-for-profit child care centres all receive the operating grant. The difference is that the for-profit child care centres receive half of what the not-for-profit sector receives.

Mrs McLeod: I am aware of the history, of course. You are quite correct in stating the history, although it is not a long history since they were introduced very recently.

You are probably aware, as I think many of us are, that the direct operating grants were established specifically in order to address the issues of salaries within the child care centres. I understand that there has been considerable success in achieving that goal with funding that was put into direct operating grants in both the not-for-profit sector and the for-profit sector. In fact, if my understanding of the figures is correct, some 99.5% of the direct operating grant given to the for-profit sector was directed towards salaries for people in the child care field.

I think I will turn from an estimates question to a future directions questions, Minister, because with the announcement that you made this week of funding to deal with the issue of salaries in child care sectors, you have made it specifically for the not-for-profit sector. I want to assume that you intend to continue the principle of pay equity which is non-discriminatory, as my colleague has indicated, extends to both public and private sector, and as you extend that to the child care sector, that you would continue to make it non-discriminatory.

Therefore, I assume that you would expect the forprofit sector to find a way to deal with pay equity but without apparently any increase in funding from the government to be able to deal with the implications of pay equity. Is it, therefore, your sense that the for-profit sector will have no choice but to close its doors, which will then have an impact on access? To make it a specific question: How many spaces do you anticipate we will lose over the next year?

Hon Mrs Akande: First let me answer your general question. Certainly we expect that the pay equity initiative is one that, because of its legal implications, will be taken

by everyone. We are not anticipating that anyone will not move into pay equity and that it will not cover those people who are employed. It will bring relief or assistance to hundreds of women, as you know.

The latest announcement to which you refer really was a wage adjustment package and it was our decision and our government, very much like the Liberal government, has certainly stated a preference for not-for-profit child care. Certainly, it means that the community and the family and the parents are more involved and get a service that is much more directly applicable and supportive of community involvement and parent involvement and much more responsive to their needs. So the wage adjustment that was offered went specifically to the non-profit sector. That is not to imply that the pay equity will exclude that.

Mrs McLeod: I understand that.

The Vice-Chair: I am sorry, Mrs McLeod, that is the first 15 minutes. Mr Jackson?

Mr Jackson: Thank you, Madam Chairman. I would-

Interjections.

The Vice-Chair: We are rotating through the three caucuses, so the official opposition will have another opportunity in turn for another 15 minutes. I just explained the procedure to the people present. We would appreciate if you do not have demonstrations or outbursts. They are contrary to the standing orders for committees of the Legislature. Mr Jackson.

Mr Jackson: Thank you, Madam Chair.

**The Vice-Chair:** The minister has drawn attention to the fact that Ms Joanne Campbell has arrived, Mr Jackson and the other members of the committee.

Mr Jackson: First of all, two quick observations from the minister's response and then I too would like to go into this area of child care. It strikes me that when the minister was talking about the multi-year plan and the disabled community and day care programming, she gave as a rationale, and this will be borne out by Hansard, that additional funding was provided to all workers so that they would be treated fairly, so that the clients were not at risk because of the turnover.

As I say, Minister, Hansard will bear your comments out. It strikes me as very odd that you have that clear understanding and sensitivity as it relates to your comments around the multi-year plan, but you have not applied that for children who are not identified as developmentally disabled, who are currently operating in day care centres, because the decision you have made to discriminate on the funding of—

Mr Perruzza: Child care, Cam, child care.

**Mr Jackson:** We are talking about the same thing. If you knew the portfolio, Mr Perruzza, you would know that I am talking about exactly the same kind of service.

**The Vice-Chair:** Please, through the Chair, and no interruptions. Mr Jackson has the floor.

**Mr Jackson:** As I was saying, Minister, you have a clear understanding that a high turnover of workers has an adverse effect on the clients. I suggest to you that no truer

statement can be made about the fact that your government made an announcement with respect to pay equity adjustment, but only for about 55% of the workers, for a similar reason, that you were in effect attempting to limit the amount of mobility on the part of workers in the day care sector. Yet the decision, it is assumed, will create even further pressures for mobility and disruption of service for children if there is no opportunity other than to raise fees for the commercial day care centres.

You may wish to comment on that. I just thought it was interesting that we have this apparent contradiction, but a clear understanding of the implications of dividing workers within the same—provide the same series of supports. If you do not wish to comment on that briefly, then I will

put that as a question.

Hon Mrs Akande: First, the entire question of the commercial sector is one that is currently under discussion. Second, the entire question of wage adjustment is an operation that can occur under pay equity, and the commercial sector is encouraged to sponsor that particular initiative. Third, if in fact, and that seems to be the implication, commercial sector child care centres are feeling that they are unable to comply with the pay equity direction and feel that it is advantageous to move into the non-profit or not-for-profit sector, there are incentives and initiatives for doing that and there is a process open to do that. My staff will gladly accommodate that discussion.

Mr Jackson: You are saying that there are incentive moneys to the private sector for day care.

Hon Mrs Akande: I am saying that those commercial sector child care centres that feel that they are unable or will have difficulty in complying with the pay equity initiative may feel that they will wish to move to the non-profit sector and there are funds that will support their doing that.

Mr Jackson: That is an interesting point then. I understand it more clearly. What you are saying is, "If you convert your business, then you will become eligible and the funds are available." Can I ask you then, Minister, what kinds of funds you are making available for these conversions?

I am familiar with a letter to you from the Ontario Coalition for Better Child Care, dated 6 February. It compliments you on your announcement and goes on to suggest that there would be these conversion teams going in from the ministry to help the conversion, that a fund be set up for the purchase of certain capital items. What kind of money have you put aside in order to prepare for these interested parties?

Hon Mrs Akande: Any commercial day care centre that is interested in converting will be given the direct operating grants plus startup funds, and that will support their converting and of course your pay equity.

Mr Jackson: They will get the pay equity boost. That is for sure. But let me put it to you in this context. I have a letter from Lullaby Landings Infant Toddler Daycare in Nepean. They are in dire straits. They are a non-profit and they have written you an extensive letter, which they have

been kind enough to share with me, dated 31 January, where they are seeking from you for 44 spaces some \$750,000. They are currently in debt in excess of half a million. Now they have run this debt up. It is a non-profit group.

Obviously this is of concern to you and obviously you are going to have to have some funds in this budget in order to help them or, as they indicate to you in their letter, they are going to have to shut their doors because they will collapse under their own financial weight. If the non-profit sector is experiencing these kinds of difficulties, how do you expect to have the money to assist the commercial operations to convert? Which has priority in your mind as the minister?

Hon Mrs Akande: The priority in my mind, as a minister, is certainly the provision of appropriate child care spaces for children and for families who require it. In order to do that, we are certainly encouraging and supporting groups that wish to continue to provide good child care for their clients. If in fact they are finding—because there are commercial sector child cares that are not having any difficulty or at least they have not notified us as such or anyone else—if these particular groups are finding that their commercial child care is in difficulty and they wish to convert, then in an effort to provide spaces for children and for families, we will provide them with the direct operating grants and with the startup funds.

Mr Jackson: I would hope that your deputy will make available to this committee some sort of current list of those who have applied to you for assistance. I certainly am aware of several. You will forgive me if I say to you, Minister, that when I raised these questions or similar questions in the Orders and Notices, I am still waiting for those after several months and there is a process for that.

I hope that the minister, through your deputy, will be able to provide us with those operations which are currently in difficulty. I know my community has recently benefited from one of your grants, a \$783,000 grant, which worked out to about 20,000 a unit. I guess what strikes me as odd is that we have commented on the discriminatory nature of the bump funding, but it strikes me that taxpayers generally have a legitimate question to ask any government as to why they are taking existing operations where the operators are paying municipal taxes, are paying all the risk capital there on the covenant at the bank, and yet moneys that you could use for expansion of the day care system, badly needed in this province, are now going to be used for the conversion of existing facilities which are operating close to or at the margin.

I am very pleased that you have not entered into this debate the issue of huge profits in day care. To your credit, you have not made that public statement and yet others have in the past. But you have not and I think you are aware that the positions are not that strong.

I am familiar with two operators in Toronto who used, in the last two years, almost all their profits because they were struggling with the additional pressures of operating in Toronto, so that their women workers were able to be on a more comparable plateau. But they cannot do it in years

three and four. They are definitely going to have to look at raising fees, converting, as you have indicated, or they are going to have to look at—

Mr Perruzza: Madam Chair-

Mr Jackson: I have a minute or so left.

Mr Perruzza: —my questions—

**The Vice-Chair:** Excuse me, Mr Perruzza, you do not have the floor. Mr Jackson has the floor and Mr Jackson is able to use his time as—

Mr Perruzza: I thought—Madam Chair, please?

The Vice-Chair: Excuse me. Mr Jackson may use his time as he sees fit, as may you when you have the floor. Thank you.

Mr Perruzza: He can engage in a direct speech for the entire 15 minutes without any questions directed at the—

The Vice-Chair: If he so chooses, Mr Perruzza, and-

Mr Perruzza: Fine.

The Vice-Chair: —I would appreciate you following the procedural rules for committees.

Mr Perruzza: It is good that you made that clear, Madam Chair. That was not clear earlier on.

The Vice-Chair: Thank you, Mr Perruzza. You are using Mr Jackson's time.

Mr Jackson: I hope not. Finally, then, Minister, I would ask if you could comment on the fact that you have the funding for the one and perhaps not the other for the expansion, but perhaps in the rotation we can come back to this issue. I also would like you to comment why, when the auditor has very clearly identified serious problems with the delivery of day care in this province, when the auditor has expressed concern about the variance between municipalities in terms of access—all those have been extensively identified—you may be employing additional people to act as sort of financial auditors to check the books of private operators so that they can convert, when in fact issues of quality of care, the safety of some kids in centres which have been addressed and presented to you in your government are not being implemented.

I will leave you with the notion that the Day Nurseries Act enforcement practices review report has been on your desk for some time and we do not know of any examples of the implementation of those recommendations. It strikes me that instead of looking at the quality and access issues, we are looking at the financial issue of wanting a public service for day care. In my view in this recession that is an expensive approach. So I will leave it at that and perhaps you could comment on those two areas that I have raised.

Hon Mrs Akande: Actually, you are quite right, Mr Jackson, the day care situation in this province is indeed an imperfect picture. It is uneven at best and there are communities where in fact people do not have much of a choice in terms of its selection. However, I will state that this government has made clear, as did the previous one, that our preference is for the non-profit sector, simply for many reasons, the most important of which is the involve-

ment of the parents and therefore the responsiveness of the system to their needs.

We have already initiated a revision of the system which looks very totally at how the child care system can be revised so that it might be more accessible and more affordable and more evenly distributed and there for parents who need it. But at the same time, I do not want to leave anyone with the impression that we are encouraging or pushing people towards conversion. We are saying that if in fact the commercial sector, and there are many—and I say this point again—there are many child care operations within the commercial sector that, if I can use the colloquialism, are not crying uncle, are feeling that they are not under any great pressure.

Pay equity does in fact address the need for them to improve the payment of workers, and if they can do that within their commercial funding, fine. It only offers, to those who feel that they would rather move from the commercial sector, the operating grants which are offered now to the non-profit sector, and also some start-up costs.

1610

Ms Haslam: I have a lot of different interests in this particular issue, not the least being child poverty. For instance, I noticed, and I come from a teaching background too, and I found out that the Federation of Women Teachers' Associations of Canada says that for every dollar spent on a high-risk child we can save \$7 down the line in social assistance when the troubled, disadvantaged child becomes a troubled, disadvantaged adult. So I think it is very important we deal with the issue of children and child poverty. I know that there are a lot of contributing factors to child poverty. I can see it was one of your priorities in the speech you had, and I wondered if you could elaborate a little on some of the causes and on some of the directions you are going to attack some of these causes of the child poverty.

Hon Mrs Akande: One of the things that is very obvious is that poor children have poor parents. These are children who live in homes where in fact people are on social assistance, and some who are working—there is such a thing as the working poor—who are unable to provide for those children the kinds of incentives, the kinds of introductions to outside stimuli, the kinds of experiences that other children have.

Poor children, as you know, do not necessarily eat well, often do not eat well, often do not eat enough. They are not necessarily well clothed. They lack all kinds of stimulating experiences. They lack opportunities. They feel defeated even before their school life has well begun and therefore are not likely to do well. We know that from the statistics. Even those who do well within the school system often find it impossible to promote that education beyond because of need.

What are we doing? It seems to us that if in fact we are saying that, the basis of this is poverty. One of the things we have to do is address the entire social system and look at the distribution of wealth, get people back to work, balance all those ministry programs in a way that is directed towards getting the most out of people, and certainly

encourage retraining programs so that people will be employed and increase the minimum wage so that in fact you are not looking at people who are working for less than they are able to live on.

We also have to work, because we are concerned about children, at the revision of our system so that it is more co-ordinated, more collective, not operating in lockstep categories, so that it includes a child care system so that children access the system when they begin child care, rather than it being separate from what goes on in education, and that where it focuses on child care as child development rather than baby-sitting, which is to use the colloquial term, and begins a child's supportive development, it is in fact a kind of direction that positions the Ontario government as a partner in parenting. It is a direction that says that if we better support all children, then fewer children are likely to be ill and require exceptional services, and that those exceptional services, because they are interwoven, may be better addressed and achieve better results.

The Vice-Chair: Thank you, Minister. Ms Haslam?

Ms Haslam: No, it was those measures I wanted to have a little more direction on.

Mr Owens: My question is with respect to the multiyear plan. It is my understanding that you recently visited the Huronia Regional Centre. I am curious to find out about your findings on this trip and how the multi-year plan and the deinstitutionalization of the residents at this institution falls within our stated plan to implement the multi-year plan and to provide the support services within the receiving communities?

Hon Mrs Akande: Actually there is a very active community living group, the Ontario Association for Community Living, out in the Barrie area, and it has been working, it seems, almost exclusively and directly with Huronia in arranging and moving developmentally handicapped clients into various community settings and involving them in both plans.

I visited just a few homes, a few centres, and also a day centre, a workplace, s therapy place. The question becomes, and they raised it with me, about the critical mass. There comes a time when you are supporting, are funding the basic facility, the main facility, the government facility, and it has a number of clients, and then we as the government are also transferring funds out to the community facilities in order to support those who are out in those facilities.

It is not a matter of tradeoff, but it is a matter of recognizing that these huge centres were built—that one was built in 1870—and the buildings stand. Some of them, I might say, perhaps should not, but do, and they have people in certain areas of them, yet many of the clients have been moved out to the community settings. Some of the questions are: At what number does it become impossible to maintain both settings? What are you going to do with it?

We are answering these questions. Those people who are so fragile, so medically fragile, are so dependent that finding a community setting or moving them out to the

centre becomes a risk question and so therefore they will require something much more formal, much more traditional.

This is another area that I find very interesting. Like you, I have been getting delegations and invitations to come out and I have come across two philosophies of the multi-year plan and the fact that you are putting them into community living. One of them deals with the idea of a group home situation and the other philosophy deals with the fact that they actually live alone and have 24-hour care. Besides the philosophical difference between those two, there is a large monetary difference between those two. My concern then is the cost of integrating people into the system. I do not know what the answer is, but do you look at the two philosophies or is there one philosophy that we are dealing with?

### 1620

Hon Mrs Akande: No, what you really look at is that you are trying to personalize, and as I understand and as I have studied the plan and as we are continuing to implement it, and certainly as the OACL works, you focus in on the needs and the abilities of the individuals who are being moved and try to find settings that are most appropriate to those particular needs and abilities. They do differ, and so does the costing.

But the client is the primary focus, and I am certain that Ms McLeod, who is well aware of this system, will agree there that the client becomes that focus. That is not to say that the funding or the money is irrelevant, but it is to say that you try to find the efficient use of funds, but within a setting and within a kind of environment which allows the client the least restrictive environment according to what he or she is capable of. That becomes difficult.

Ms Haslam: Yes.

Mr Owens: Minister, I am intrigued by your comment about the use of funding. Some of the commentary we heard during our social development hearings around the flexibility of funding was essentially that perhaps existing funds are there, but are not being put to use in an appropriate manner, that if a person is granted X number of dollars to provide a service, it is apparent that the family may not require that service between designated hours, but could use it perhaps at a later time or at various fragments during the day.

I am wondering what your thoughts are on the flexibility of funding and what kind of plans you have as a minister to implement that type of flexibility in the system.

Hon Mrs Akande: This is not a new discussion for me because the flexibility of funding is something we hear again and again, not only in the special support programs but in the special services at home program and in the many other programs. You get this feeling that, "Yes, I want that but I don't want it for that allocated length of time," or, "I don't want it in that time frame and I want to use it differently." Certainly there are reasons why the funds come sweatered as they are, and allocated and directed as they are.

At the same time, certainly it is my focus to work towards greater flexibility because we recognize, as we do with child care, that it is not a traditional thing. It is not just saying, like we used to say, that people got it from 7 to 6, that you have to have flexibility because of the way people operate—their lifestyles, their directions are entirely different—and the funds should support their living style, rather than be a fine in a way, that people have to fit into what they want.

Mr G. Wilson: Actually, I do not really have time to put the question and perhaps we may return to it, because I think it centres on the lack of money in the system. I think, as an MPP, probably all of us have been faced daily with delegations that are coming in all kinds of areas with their lack of money.

I am very pleased to see in your remarks that you mentioned, I guess, the intergovernmental approach to this, and specifically the federal government's peculiar, I would say, approach to the issue of social spending at a time when, as you point out, the Prime Minister went to the United Nations to address the question of child poverty and I think addressed the need to eliminate it. There was, as you mentioned, a House of Commons unanimous decision to eliminate child poverty by the year 2000. Yet we have this cap on social spending which you also referred to.

As well there is the new issue of the war in the gulf—again, I do not have to mention it, but two delegations have raised as well the peculiarity of the funds that are so readily found to support the war effort, and I must say too, not only the economics of it, but also the morality of it. Here we have a very moral statement on ending child poverty, which I think we can take as being in fact a moral commitment, and having to find funds to fight what some would see as an immoral project.

That being said, perhaps you could just say some of the programs that are being cut by the cap.

Hon Mrs Akande: I can say that our cap on the Canada assistance plan—by the way, I agree. I find that there is a marked difference between what the federal government says and where it puts its money. I am only the Minister of Community and Social Services; I am not the federal government, so I do not know but I have to say this: I feel that the federal government cap on CAP means we are not going to be in the same funding relationship as the increase goes beyond that 5%. What that means is that if the municipal governments continue to have the difficulty they are having, the expectation—we are already receiving letters like that—is that the provincial government will fund all those programs. Of course, with the difficulty in funds, with the recession, that is just not possible. That is the difficulty there.

The federal government has also said it is going to announce at some future time a new program that will deal with some of the difficulties of child care. We have not heard from them on that. They have already reduced their unemployment insurance involvement, so that means that people who are not working move faster to social assistance.

Mrs McLeod: I am going to return to the child care issue, although before I do, I cannot resist commenting, as you discussed, the federal-provincial funding levels. Coming back to Mr Jackson's opening comments about one

province having had more than its share, more power to Ontario: It directly reflected the fact that we were doing more in social services than other provinces.

But to come back to child care, the question I had left on the table was specifically the impact of the decision about—I am going to continue to refer to them as direct operating grants, because the direct operating grants were provided in the past budget process to both the for-profit and not-for-profit sectors, recognizing that the for-profit sector could not afford to pay increased salaries without government assistance, and that is the only budget line with which we can work to anticipate the way in which you may provide some direct funding to assist in salaries, that you are now directing to the not-for-profit sector exclusively.

But if the for-profit sector is also required, as I think you will and should require, to meet the pay equity requirements, and as I think they will want to do in providing fair salaries to the child care employees in their particular sector, and if they cannot raise fees to pay for those increased salary costs, they really seem to have very little alternative. Surely they cannot reduce the quality of service to children to such an extent that they could cover increased salary costs in that way. So their alternatives seem to be outright closure or the conversion, which you referenced in your response to Mr Jackson. The history of encouraging conversion has not been particularly successful. I wonder if you could, recognizing that this is 40% of the child care spaces in the province, respond to my question about the impact you anticipate in increasing the crisis in access to child care.

Hon Mrs Akande: First, I would expect that there will be some for-profit child care places that can maintain and support the pay equity initiative without the direct operating grant. There will be those. There will be others that will require assistance and will make that known to us. We are, as I say, currently involved in an entire discussion, not just child care but an entire discussion, around the commercial area of child care and looking at what effect that will have and trying to manage and look at the numbers across the province and the difference in different communities, to which I have referred before.

In terms of lowering the standards of child care, you know that those standards are governed and we would continue to monitor to see that the standard of child care is maintained; that was one of the things you said and I feel I should respond to.

### 1630

Mrs McLeod: Perhaps I can ask a further question in the child care area, then, in terms of the subsidies that are provided, where subsidies are provided, and how those subsidies are determined. Are there benchmark subsidies that apply equally in all regions, in all communities of the province, and, if so, how are they determined?

Hon Mrs Akande: The municipalities to a large extent do manage—not everywhere, but in most situations—the subsidies. That is why it is certainly in conjunction with them that we try to operate and to focus on where they are going to put their subsidies, but we have no control

over that. Some municipalities are indiscriminate in where they put their subsidies. They put their subsidies in the for-profit sector—that is not something over which we have any control—they put their subsidies in the non-profit sector, and some of them actually tie the subsidy to the person, and the person goes and gets the child care they require from whatever child care station there is.

There are cases, minimal, I might add, up north where the government directly operates the subsidies. But for the most part the subsidies are managed by the municipalities

involved.

Mrs McLeod: Can you tell me, then, what percentage of the child care budget is directed towards support for subsidized places?

Ms Gibbons: Seventy-five per cent.

Mrs McLeod: The new initiative alone in 1991 was \$8 million for subsidies, I understand. Is that correct?

Ms Gibbons: That is right. It is in the book.

Mrs McLeod: I am concerned that such a large amount of provincial funding should be allocated in a way over which, the minister is now indicating, we have absolutely no control, no way of providing equity in its distribution. Am I understanding correctly that that is what you told us?

Hon Mrs Akande: That the municipalities do manage the subsidies, and they are managed differently in different municipalities, and there is a relatively minor percentage of cases where the provincial government manages the subsidies independently. Is there something you wanted to add to that?

Ms Gibbons: We would make our allocation to the regions and areas, as you know, Mrs McLeod, based on some child population. At the area level, we would work with the municipalities to determine who are able to uptake at this particular time and who are not. To the extent that the municipalities cannot, we will try to develop some strategies to see if there are other ways that one can get the subsidies into the system. The minister is absolutely right; there are some limitations placed on using the municipalities as the vehicle.

Mrs McLeod: This will be a question which I will try to come back to in other areas. It relates to my concern that provincial funding in social policy areas, while it is designed to create a great deal of flexibility, seems to be lacking the criteria which would ensure that there is a degree of equity, at least there seems to be to me.

Hon Mrs Akande: I know I am contradicting here, but this is a point on which I agree. This is a system I have inherited and I have focused on altering, because I feel it takes the management—75% of those subsidies—out of the province's hands though the province is doing the funding, and it is differently managed in different areas.

Mrs McLeod: I can understand, then, from your comments that you would be looking at a system of providing subsidies which reflects real cost, real need and benchmark criteria for determining the level of those subsidies and consequently the budget? Hon Mrs Akande: That is right. Also, that directs them in areas where they are relative to need rather than limiting them.

Mrs McLeod: A final question on child care, although we could go on in every area for the full length of estimates: There is probably a reasonable explanation on page 71 of the 1989-90 estimates for \$326 million plus—I will not get into the detailed figures—and the 1989-90 actual being significantly lower than that. Could I ask for an explanation of the underspending?

Hon Mrs Akande: The underspending relates to—50% of the operating grants for the commercial centres were held back; employment support services expansion was delayed; and the takeup or slow startups of some child care centres meant that money did not have to be used at that time. Those are the three. Are there additional?

Ms Gibbons: No. The biggest block of that, Lyn, you will be aware, is the fact that on holdback was the 50% of the DOG.

Mrs McLeod: Then taking it to the 1990-91 estimates, do you have any kind of almost final-quarter report on the current expenditure, which was the underspending plus another \$37-plus million. Has that been fully expended in this current year?

Ms Gibbons: We are not at year-end yet, so you will know we are moving towards coming to that calculation. But it is not surprising in any system that tries to move out dollars on an as-centres-get-ready-to-receive-it basis that as centres struggle to get ready to open and operate that they do not have a full-year budget and utilization. But year over year, what is not utilized in-year gets fully actualized the next.

Mr McGuinty: I wonder if I might address the matter of the Social Assistance Review Board. You may, in this context, wish to draw upon the advisory assistance of the chairperson, who is here. First, could you tell me how quickly at the present time decisions are being made and delivered? I understand that the board is mandated by legislation to reach a decision within 40 days, but that that has been the subject of a subsequent judical interpretation which draws a distinction between the reaching a decision and the delivery. I am wondering what kind of time frame we are operating under now. How quickly are decisions being made and delivered?

Ms Campbell: You are correct that there has been a court decision on that. We were judicially reviewed on the issue of how long it would take to issue a decision. The legislation is slightly ambiguous, and the court's interpretation of the legislation was that it was not the board's obligation to deliver a decision within 40 days of the date of a notice of a hearing, that it was the board's obligation to reach a decision within that time.

In the world of the courts, looking at statutes and interpreting the wording of the statute, the courts also looked at the history of that statute, which in fact had a clause that talked about delivery forthwith that had been taken out. So if you looked at the history in the wording, it was the court's determination that in fact the board was not required to deliver a decision within 40 days. What the board

is required to do is to reach a decision within 40 days. The board reaches a decision in 90% of the cases immediately following a hearing, and then the board member goes away to write that decision up.

The issue of how long it takes us to deliver, get decisions actually in the hands of people, which clearly is the concern of people who are waiting for a decision: the last time I appeared before this committee—there are so many new faces, I am not sure most of you would remember; Cam, you are still around—the board had a significant backlog. I had just arrived as the chair, and had been given the mandate essentially to reform the board. The board had been the object of enormous criticism in the courts. It was quite unusual for the court to take the position it had taken in the case of the Social Assistance Review Board in many cases.

## 1640

Normally, the courts, in their attitude towards an administrative tribunal, operate on the basis of what is called curial deference, where they respect the decision-making and the expertise of a particular board. In the case of the Social Assistance Review Board, in many, many cases, the courts stepped out of that position that essentially their job is to respect the greater expertise of the tribunal, and essentially lectured the board on how to weigh evidence, how to test credibility, how to do the kinds of thing it is assumed an administrative tribunal can do, with a very clear direction from the courts that we had to turn the board around, get better training, board members who were skilled at conducting hearings, understanding the issues and writing clear decisions that recognized the importance of both what was written in the statute, what evidence you received, and what the courts had said.

In the process of trying to reform the board, we established a rather hefty backlog. At the moment, the board essentially does not have a backlog. Most of our decisions come out within somewhere between 40 to 50-odd days. The difficulty is those decisions which are difficult and complex.

The other thing that has happened with the board over the last few years is that, as we have become more consistent in our decisions and clearer in the writing of those decisions, the easy stuff does not come to us much any more. We have seen a significant impact in the system from a board that listens to the evidence, understands how to weigh evidence, understands how to look at court decisions and interpret those decisions, knows the principles of statutory interpretation sufficiently that it can write a good decision.

And we attempt, as a board, to be consistent in our decisions. One of the goals I had as an incoming chair was to not just impact that individual in his particular case, but through clear, consistent decision-making on our part to impact the whole system by extension; having clear, consistent decisions then understood by those who were reading them, both in the welfare administrations and by provincial family benefits officials, so that if they understand what we are saying, and they assume that if we decide one way in this circumstance that in a similar set of circumstances we are going to decide the same way, more

and more issues are being resolved before they come to a hearing.

One of the things that is significant in the board in the last while is that while we have had a significant increase in the number of appeals requested in the last few months, we have not really had a huge increase in the number of hearings we hold. We are better at determining in advance of the hearing whether we have jurisdiction and not having to go to a hearing to discover that we do not have jurisdiction. We scrutinize the case in advance of the hearing and try and clear out any of the issues that may be resolvable before a hearing.

Also, I think what is happening in the system is that an informal review process has developed to look at the decision before coming to a hearing: "Is this a decision that we, the welfare administration, or we, the family benefits administration, want to defend before the board? Is this a good decision that we've made?" We are getting a lot more withdrawals before the hearing actually happens because people are settling.

That is a very long way of answering a question. Essentially it is that it is hard to predict on a case-by-case basis whether that decision is going to come out in 40 days, because it may be extremely complex and take us a little longer. I can assure you that we are very serious about getting them out quickly.

The Vice-Chair: We are out of time for that caucus. If we could keep the answers as short as possible, in fairness to all the caucuses.

Mr Jackson: I do not wish to offend Joanne, but if she is going to be with us till 6 I have some questions in my next cycle I would like to ask her. But I would like to just complete a couple of final questions with respect to child care expenditure in the province.

Minister, this summer past I was trying to track the third-year cycle funding of the then government for day care expansion. I was led to believe it had been halted in or around the third week of July, and I know that several centres that were slated for expansion in funding did not receive it. I know Mrs McLeod has looked at some of the numbers and the underexpenditure. Can you give me a sense of how much of that underexpenditure you are putting back on track, and to what extent you are committed to that? I realize that you are using some of the funds that were underspent from the previous administration, but are you following those applications or are you accepting new ones? I am trying to get a sense of several centres that may have got caught in the gap, because there was a clear gap, as I understood it, and centres contacted me all across Ontario.

Hon Mrs Akande: You are quite right. I became aware of that about the middle of October. Actually what we are going to do is to focus all of that, we are using all of that funding. I am trying to pick up tracks and the staff is tracking those centres and actually supporting their moving into the child care sector. So unless they withdraw, and that is a decision that they themselves would make, they would be supported in funding if they are appropriate.

Mr Jackson: If I can pursue questions around the equitable distribution of child care resources by geography around this province, I know there was some criticism from AMO towards your announcement on the 31st that it had not been consulted. On the other hand, I can understand that if you talk to one municipal politician, it is no longer a secret in this province, and you reserve the right to make your own announcement. So I understand that as well. However, I have to come back to the auditor's report because I think, as I have said, it is not your doing that the auditor made such harsh commentary or flagged so many concerns, but it is your responsibility now, as the minister, to react to the auditor's report. He talks to this issue of a more equitable distribution very directly. Can you talk to the committee about what specific mechanisms you have in place, not only bringing us back on to the third-yearcycle funding but also your most recent announcement.

I really want to pursue several questions on how we are going to ensure that we somehow get spaces into communities like Thunder Bay and Sault Ste Marie or others that have expressed their inability, if I can be fair to them, or their unwillingness, but I think it is their inability to seek them out. And yet, that may not be fair to the children in the families who require them. What are we doing to be a little more proactive and ensure that these expanded spaces, which we all support, are in areas of acute need?

Hon Mrs Akande: You are quite right. We recognize that problem and we are dealing with it. One of the things that I have asked the staff to do is to keep records of where in fact the municipalities have refused or say they are unable to pick up those spaces and those subsidies. Because in fact what that does is put a child care in that particular area, and this is throughout the province. We are looking at rescuing, if it is absolutely necessary, those areas so that in fact people will not be left without subsidies because of the municipality's withdrawal or inability.

The thing about that, though, is that it is not as easily done. I mean, you cannot rescue the world. Neither can you, as you pointed out, go and ask them for their books and say, "Let me see that you can't provide these services." You cannot be as aggressive as that. But what we have been doing is certainly engaging the municipalities in conversation around the takeup of spaces and at the same time keeping track of areas that have to be designated, where you have to focus. For example, there are certain groups up north where the spaces are of great need and left solely to the management of the area, the region, they would not necessarily be picked up, and it is the government's responsibility then.

Mr Jackson: If I can pursue that, Minister-

Hon Mrs Akande: I wanted just to respond to one other thing that you—well, go ahead and I will get back to it later.

1650

Mr Jackson: Okay. One of the known mechanisms available to any government—and I guess I am seeing evidence of it with the Treasurer's announcement yesterday of a 5% transfer payment to municipalities—a lot of governments have done this around Canada, and I suspect

with your half-smile that it may have even cropped up at the cabinet table—is to be low on your transfers and use the carrot of, "Well, now, if you don't want child care, we are not interfering with your economy, but if you somehow saw your way clear to changing your mind we certainly have these boost funds."

Now, I know you cannot say that is what you are doing, because the Premier would be upset with you, but by the same token—

Mr Perruzza: Madam Chair-

The Vice-Chair: Mr Perruzza, do you have a point of order? That is the only reason on which you can interrupt. What is your point of order?

**Mr Perruzza:** My point of order is that I would like Mr Jackson to be a little clearer in what he is suggesting.

The Vice-Chair: I am sorry, that is not a point of order.

Mr Perruzza: It seems to me-

The Vice-Chair: Mr Perruzza, that is not a point of order.

Mr Perruzza: Madam Chair—

The Vice-Chair: Mr Perruzza, excuse me. I have the chair and you are out of order. Continue, Mr Jackson.

Mr Jackson: I will just come to the point. I am familiar, with my six and a half years here, with those areas that the minister is able to respond to and conversations in cabinet she is not; therefore, I am aware that she cannot comment on that, and that is exactly what I said.

Minister, if that in fact is an option, and I will let you interpret what you meant by we will—I forget the words you used—"bail out" or "help"—

Hon Mrs Akande: Assist.

Mr Jackson: —assist these, whatever the format takes, would it not be a lot simpler for you to respond to what the Social Assistance Review Committee report has said should be done, which the very committee in Ottawa that you spoke to has recommended, that the Provincial-Municipal Social Services Review Committee has suggested that we stabilize the delivery of day care services in this province so that it is not left to the whims of municipal politicians, so that women in this province and those requiring day care service have a legitimate right to access this service fairly and equitably in this province and you are not, by virtue of the structure, left to consider the kinds of options that I have suggested have been used by other governments in the past?

Hon Mrs Akande: That is exactly why we are involved in the revision. That is exactly why we are involved in the revision of child care and we are looking at the entire system, because in fact as it is currently presented, it is at best patchwork. It leaves children and families at risk because of the fact that it is uneven. There are areas where there is not sufficient child care; there are areas where there is not adequate child care; there are situations where the regions and municipalities may not in fact pick up the costs. All of those things certainly make the system less than equal and certainly less than adequate. It is for that

reason that we are involved in a revision of the entire child care system.

Mr Jackson: I have two very quick questions and then I will yield to my colleague.

Minister, do you believe that there is any difference between the services provided by child care professionals in commercial centres over public, non-profit centres? Do you believe there is any difference between the work that they are performing, the skills that they apply?

Hon Mrs Akande: I believe that they are both providing child care services, if that is what you are asking.

Mr Jackson: You do not see a difference between the two centres in terms of their delivery or skills?

**Hon Mrs Akande:** No, I think that they are both providing child care services.

Mr Jackson: Another final question: Do you believe that children are somehow at greater risk by being in a commercial centre over a non-profit or public centre?

Hon Mrs Akande: No, I do not.

Mr Jackson: Thank you.

**Mr Jordan:** I would like to ask the minister a question regarding the results of moving disabled residents from institutions to group homes.

Now, in the riding that I represent, this has been going on for a period of time. We have reduced the facility from approximately 2,000 to 800-and-some residents. There is no communication being established with the municipality as to what you plan to do with that facility as you gradually empty it, and of course this affects the municipality, because now it almost turns against the program because it sees this going on.

We talk to the people at the Ministry of Government Services and they say, "We can't do anything until you declare it surplus." I am saying there should be a plan, because you know where you going with your plan. Then there should be some communication with Government Services so that it can make a plan and let the municipality know what it is going to do with that facility. It sits on 400 acres of beautiful land overlooking the Rideau River, and I am sure there must be some use for that facility. We would be greatly pleased to hear of what your plan is.

On the other side of the coin, the community group homes in the town of Perth go into a subdivision and pay \$40,000 for a lot, when they could get one for \$15,000, and this is taxpayers' money. We can supply them an excellent group home on the \$15,000 lot and yet these people have chosen to purchase a \$40,000 lot. This again turns the people against the program.

Hon Mrs Akande: Let me respond to the first part of your question first, and that is that we are actually, I believe, in ongoing discussions about the stage at which we are moving people out of the large facility and about the possible uses of that facility. I am surprised by your comment, because it was one of the questions that I had asked when I arrived, and that is the information I received. I would be happy to discuss anything with you more specific to the area that you are speaking of.

In terms of the lot, I am sitting here and I really cannot answer that. I do not know where these other lots are. You say they are in Perth, but in comparison to what particular areas of Perth and what the differences are, I would certainly be willing to discuss that with you at any time.

Mr Jordan: Thank you very much.

The Vice-Chair: There are two minutes left. Do you wish to use them, Mr Jackson?

**Mr Jackson:** I would not dare give it up. I said I was finished with day care, but if I have only got a minute, let me ask a short question then.

I understand that there has been some criticism levelled at you, Minister, for meeting with the Association of Day Care Operators prior to the decision of your ministry inviting it—it may have been a staff oversight—to the press conference that you held. Given that their interest in meeting with you was to deal with their employees, would you be willing to meet with the employees, the actual workers who are affected by the decision, as opposed to just the operators? Would you be willing to do that?

I understand you have agreed to a meeting with the operators, but would you be willing to meet with the professional staff? I would assume you are going to be discussing their fate and the impact of your decision on them. Could I recommend that they be invited to attend as well so that you could meet with them?

Hon Mrs Akande: Certainly I am willing to meet with any group. I do not know whether the Association of Day Care Operators of Ontario is also including front-line workers. That meeting was arranged, I do not know, a couple of weeks ago, 10 days ago, whatever, and I am certainly willing to meet with other groups. I have met with many groups, for-profit and non-profit.

Mr Jackson: My understanding is they do wish to meet with you, and they would have no difficulty if they were to meet with you on Thursday.

1700

The Vice-Chair: Mr Hope.

Mr Hope: I have just got to reflect on a few things, because as we are here today and we are witnessing workers in front of the government today and as I reflect back on my previous life as president of a local union and president of a labour council, it brings to mind of some of the issues that we were faced with back in 1983, 1984, 1985, 1986, 1987, 1988 and 1989 about the issue of child care. The issue to the workers that we had in our collective agreements that we had to supply and make sure that the children of our workers were properly taken care of fell upon deaf ears, both of the federal and the provincial governments.

We were not able to establish proper child care facilities for our workers at that time frame and now, as we enter into a new market, a market as it is set by the federal government's agenda, we witness these workers still here today and we witness another group of workers, the workers who at one time were asking for these people's services, the people who are sitting in this room today, their

services for their children, and the unfortunate part is, it was not there.

As I look at some of these workers, and still have very close contacts with my brothers and sisters through the labour movement, there is a cry out there and the cry is dealing with the social programs, the part of welfare, the agenda the federal government, now entering into a trade agreement with Mexico which is going to lower our ability to compete. Research and development techniques are not being put forward to Ontario's seeing as we want to see them to keep us competitive and make sure.

I understand the concerns that these workers have who are here today expressing their viewpoints. The bigger concern in the bigger picture is that there is a certain sector that is out there that requires the services that these people put forward, and that service is the middle- and lower-income families of Ontario. I am going to talk more generally of the area that I live in. It has two major industries, agricultural and the automotive sector and the independent parts and suppliers industry, the small parts producers. Their major concern has really changed dramatically since that time frame. Their concerns to me are maintaining the jobs that they have established. Child care requirements are not an issue with them today. Because it is not an issue with them, their major concern is dealing with the ability to get back into a workforce.

They went through a 1981-82 recession and were able to come out of it because they knew their jobs were there. The unfortunate part now is that the overwhelming attacks by a certain group out there in the community called the tax revolters, who are watching every move that you and I and every member of this government and the federal government and the municipal government makes—they say that the workers are overpaid, an overstatement I would call, because as most of us fight for a decent wage to put back into the economy we keep seeing the extreme costs that are being put forward.

The high interest rate policies are another issue that affects everybody in this room and everybody who is here today supportive about their cause.

But I have a group of people that I want to air a concern out with and the concern is dealing with the workers themselves who are out of jobs. Child care services is not an issue with them; general welfare is a concern with them. As they have been attacked by UIC changes which have now cut their requirements, unable to collect UIC, now they are resorting to a thing called welfare. Hard for a lot of them to adapt. Tears coming in their eyes. Self-motivation has disappeared from these people who at one time were very instrumental in helping me in my fight to convince politicians that the concerns of child care, quality child care was an issue at that time.

They are coming to me and saying: "Randy, you have to get priorities straight. Priorities have to be with your government to, number one, make sure that our social programs are not being attacked."

One of my major comments to them was, as I met with a good friend of mine over the weekend, Howard McCurdy, who was a federal member of the New Democratic Party—raised some things that really started adding a lot of questions in my head. Number one was the federal government's commitment by the year 2000 to deplete child poverty and by the year 2004 the federal government plans to not have any more transfer payments to social assistance. That doubletalks themselves.

I want to be more direct in one of the questions I have—and I somewhat know in the back of my mind because I have been a political activist for a while—what is the trend of the federal government in its views of a user fee process? What effect is it going to have when we find out one day that when we go to the cupboard of the federal government, there is no more money there?

What effect is it going to have in addressing the concerns that your ministry will be faced with in the upcoming years—because we do not see economic turnaround as many have forecast—and what is your ability going to be to function in support of some of the groups that are here, some of the groups that are in my community? What is your ability going to be to function as a minister of a major ministry that is heavily required in a time frame of recession?

I know it was a long-winded speech, but we have got 15 minutes to go at it.

The Vice-Chair: We were not just quite sure you were finished.

Hon Mrs Akande: The sure thing is that if you ask the impossible, you are absolutely certain to get it. What will my position be? My position will be and my position is currently that I think we had better get busy and make sure that we have devised a system, used our social programs, used all our other ministry efforts to get people off social assistance.

There will always be those who will have to be dependent on social assistance, those people who cannot be employed, but we will be better able to shore up those people if in fact the rest of the population is employed, is working up to the level of its ability, is involved in a community to which it is contributing, and this is the only way we can do it.

I am shocked but I have heard it before, and I continue to be shocked that by the year 2004 the federal government expects not to have to pay any transfer payments. I think it has to be said that if the federal government is pulling out of transfer payments, we really have to be looking at a system which allows us to provide for those people in the province in a way that we will not depend on the federal government.

Yet I cannot foresee that day. I do not know at this point where the funds will come from and I am glad that it is in 2004 and not in 1991, though that is small comfort. But certainly it emphasizes for us that we have to focus our activity today in a way that will provide employment, make it more possible for people to exist independent of social assistance.

Mr Perruzza: It is interesting to note as I sit here, and I sat quietly this morning listening to the other debate on energy, but it is amazing when we moved into this ministry how there was an abrupt turnaround in the politics of this committee. Where we had general consensus this morning, we now have an audience, and it always startles me to note

that when we have an audience, politicians will play politics.

I have listened and I have listened closely to both the opposition and the third party and to their comments in addressing particularly the child care issue and the child care announcement that was recently released by the minister. I have listened attentively but I have yet to hear, and I was out of the room on a couple of occasions—if I am incorrect in this, somebody please correct me—but I have yet to hear the Liberals clearly say that another \$30 million should be announced by the minister to the profit.

I have yet to hear that from either the Liberals or the Conservatives, for that matter. I know that we are quite cautious about what we say in these committees because you will note that there is Hansard here and Hansard transcribes word for word what the members say and basically do. We are very careful about what we say and how we say it. I have not heard that, I think, for some obvious reasons from what I dub now the champions of the profit child care providers, Mr Jackson spearheading and leading the way and Mrs McLeod in close second. I had hoped that you would both come out and say that that is what in fact the minister should be doing in her redress of this particular crisis, and I had hoped that we would do that.

1710

Mr Daigeler mentioned earlier about the record of Mr Sweeney, and I suspect that that had something to do with Hansard as well, commending a former minister. I would also suggest that perhaps the budget for the ministry was increased in duplicate or in triplicate form, but I believe there were 32 new tax increases which—

Mr Jackson: Sixty-four.

**Mr Perruzza:** Sixty-four. Mr Jackson corrects me on that one. There were 64 new tax increases passed on to the people of this province.

Having made those comments, I want to ask the minister a question. I have been meeting with a barrage of child care workers and child care providers in my community because I represent a high-need community. I am not ashamed to say that Downsview riding is a high need and there are a number of child care centres and this hits home, it hits hard. I am sensitive to this particular issue and I have met with a series of child care providers and, yes, there are some serious concerns and some things that really need to be redressed. I think that the minister has suggested today that she is going to be looking closely at that. I know that I, as a member, am going to take up some of these issues in my own riding.

One of the concerns that was raised by one of the workers and it struck home for me despite—I mean, we are in the middle of a recession and government funds are being depleted on a daily basis by jumping welfare rolls and so on. That this minister would find \$52.8 million for child care is quite something. I think she should be applauded for that. But one of the child care workers I met with, at the end of our talk—and we talked at considerable length, for about 45 minutes in fact, and dealt with an array of issues related to child care and so on—as she was leaving my office, she said:

"You know, I understand your point of view. I understand what your party believes in and I voted for the NDP before I came in here. I wasn't going to vote for the NDP any more, but I may reconsider it because this isn't as simple, clear-cut and dry an issue as I thought earlier on. But, you know what, I was threatened. If I didn't come here and if I don't go and meet the other members of the New Democratic Party, I'm going to lose my job. My job was threatened by the day care that I work for." I am not going to name the day care, but I could.

The Vice-Chair: Through the Chair, Mr Perruzza.

Mr Perruzza: And I could name the individual involved, but I am not going to do that.

I would like to hear from you, Minister, what you think of or what your views are on child care agencies being able to threaten their employees if they do not initiate a bombardment of lobbying.

The Vice-Chair: I am sorry, Mr Perruzza—Interjections.

The Vice-Chair: Excuse me. I do not want to have to repeat what I said earlier this afternoon. I think most of you have heard it twice.

Mr Perruzza, you have used all your caucus time at this round. Mr Owens was on the list and the minister has no time to reply. Mr McGuinty?

Mr McGuinty: I must take issue with some of the comments made by Mr Perruzza.

First, we did not achieve a consensus this morning and I do not think that is our obligation or intention here. It is rather to bring to light, to air, some of the issues which are of concern. Our particular obligation, as members of the opposition, is to raise those issues on behalf of those groups, those individuals, whose causes have some merit, and that is what we are doing here today. You have earned the right of frustration which is associated with government and you are beginning to experience that, I think, for the first time. In any event, whatever you do, you must justify it, and that is that.

Now, I would like to return to the matter of the Social Assistance Review Board, if I may, Minister. In particular, one of the aspects of the board which commends itself to me is the training which the members receive. I do not see a budget for that training. I wonder if that appears.

Ms Campbell: There is a very large budget item called "Services," and all of the board members are paid out of that part of the budget. Because they are order-incouncil appointees they are not paid out of salaries and wages, they are paid out of services, and it is out of that portion of the budget that we also fund the training.

Mr McGuinty: Do you know what portion of that consists of the training?

Ms Campbell: It does not cost us a lot of money to train our members. We put enormous emphasis on training. We meet every week as a board and every board meeting has issues that have come up through board committees, but always each board committee, on outreach, on policy, on procedures and on members' services, is about how we do the job better. Every committee is

mandated to have a training aspect to any issue it presents to the board.

If we are reviewing our procedures as a board, how we are going to conduct a hearing, then the obligation on that committee is to come forward not just with recommendations around how we are going to proceed with things such as swearing in of witnesses, whether or not we deal with cross-examination, then re-examination and the board's understanding of that. Each time we present an issue to the board the committee that does so has to have a training plan, so essentially we train ourselves.

We have legal staff on the board who do a lot of the training. We have had enormous help from outsiders who have not charged us anything. We have had provincial court judges and we have had Supreme Court judges who have come and given us sessions in decision-writing. There are not a lot of courses you can send people on to learn a lot of the things that a tribunal member has to learn, so we do it in-house. We use our own expertise that we can come across and we use other tribunals.

There is an agency called the Council of Canadian Administrative Tribunals, CCAT, which is a national agency that has a really good three-day conference that we encourage our members to attend because it is one of the few formal training opportunities we have. But although we are spending a lot of money on computer training, it does not cost us a lot. We do it very extensively internally.

Mr McGuinty: Thank you. I have one other question with respect to SARB, Minister. I understand there are 21 full-time members on the board. I believe there is at least one vacancy at this time. I understand as well that the first three-year term of this board will be expiring this year. Does the government intend to reappoint the experienced members on the board?

Hon Mrs Akande: What we have done is, currently there is Maureen Adams, who is the acting chair. She is an experienced member and she is acting because we have advertised for a substitute or a position to take Joanne Campbell's place. When that person is in place, we will deal with the other vacancy.

Ms Campbell: If I could add, we have the most open process in the province for appointments to the Social Assistance Review Board. I set up a process whereby we advertised extensively for positions on the board. We set criteria for how we would short-list. I then established a panel of people who would interview, a community representative who would represent the community's interest in a quality board, a human resources expert who brought the interviewing skills, etc, and it was on our recommendation that people were appointed.

1720

This government accepted my recommendations on reappointment of members. Earlier, at the very start of the term, on my recommendation, they reappointed various members whose terms were expiring. We actually have an ad out now to replace three vacant positions on the board. It has been made clear to us by the minister that that process of openness will continue and the process whereby the chair establishes a panel and makes recommendations

will continue. I have actually left. I now work for the Metro government and came back for today, but my position has also been advertised and will be filled through competition.

**Mr Daigeler:** If I am permitted, I would like to move on to a different subject, and that is the care for children and adolescents. I would like to raise the question of the treatment of adolescent chemically dependent people.

Minister, your government has indicated that you want to reduce the money that is going to the United States for the treatment of Ontario residents, be they adults or adolescents, and I certainly agree with this objective. For the treatment of adolescents, which I think falls within the responsibility of your ministry, at the present time we do not have any such centre in Ontario. There is a proposal from my area put forward to your ministry from a community group that would like to provide that kind of treatment, at least for the Ottawa area, possibly for eastern Ontario.

I am wondering, Minister, how are you looking at that question of providing treatment in Ontario rather than the United States for adolescents generally, and more specifically are you looking favourably on the provision of these services by community groups, especially in the Ottawa area, and what time frame are you looking at in which you will make a decision on these questions?

Hon Mrs Akande: One of the things that I am sure you will recognize is that that decision of course came to us through the Ministry of Health. It was Health that was funding the services in the United States. But once you close a door, you have to be certain that another one is there to be opened. Therefore, Mike Farnan is very much involved with it at a committee level, deciding and designing and making recommendations towards what will be necessary to take up or to provide services for those groups of people who in fact are turned away from the United States.

That is going to have an effect on us where it concerns children, and for that reason we are very involved in those discussions and trying to decide not only how we would or where those services would best be initiated, but how. We are interested too in groups that have made presentations, some self-initiated.

I am not meaning to imply that we have solicited presentations, but some groups have, on their own initiative, submitted presentations to us to serve this group of population. We are aware that we will have to increase services in this area for children and youth if in fact the health initiative is as extensive and results in such an increase as we expect.

Mr Daigeler: I had originally written to the Minister of Health and she actually referred me to you with regard to the position of and the treatment of adolescents, because apparently they fall under your ministry. How the actual allocation of the dollars happens I am not quite sure. From the remarks that you just made, I take it that you are looking at providing these services in Ontario—tell me if I am going too far—that you are planning to have a treatment

centre for adolescents in Ontario. Is that correct, and in what time frame are you planning to make a decision?

Hon Mrs Akande: Let me say this: We are planning to provide treatment. I am not able at this point to say that I am planning a treatment centre, but we are planning to provide treatment. There are two new specialized treatment services that were announced in Ottawa and in Windsor and we are collaborating with the Minister of Health and the Minister of Correctional Services on these new programs, but what newer programs might look like and how they would be designed, and whether in fact they would be smaller community facilities that would be spread about in Ontario so that the access question could be addressed, are all things that we are discussing. The other thing is that we have to look very carefully at what we think our numbers will be.

Mrs McLeod: I would like to take us into yet another area. We have a lot of ground to cover in a short space of time. I will specifically deal with transition houses, and if there is time take that into a more general question about capital funding and capital priorities within the ministry. I am dealing with vote 802, item 4. The budget indicated that for 1990-91 it was a relatively small increase that was planned and yet you indicated in your remarks that, I think, there were 11 new transition houses.

**Hon Mrs Akande:** Eleven new houses in the year and 90 new beds.

Mrs McLeod: Which sounds as though it is in excess, even, of what was planned. I would like to ask how the budget works to establish new transition houses. Is it in response to proposals, and if so how many proposals are you looking at and how many existing houses have proposals for new facilities?

Hon Mrs Akande: I am going to refer this question, because I do not have that—

Mrs McLeod: If you wish to simply table those with your further information, I am quite comfortable with that.

Ms Gibbons: I could take a crack at it. Year over year that particular line is about a 12% increase in the funds allocated to it. At the moment we have two and a bit available to provide staffing support to capital expenditures. We do not know at the moment what the federal government's family violence initiatives will be and in terms of this government's priorities, as you know, we are working through the process of establishing next year's allocations.

We had anticipated the federal government would be making an announcement and in the announcement would solicit our co-operation and add support dollars to that. That has been put on hold, I understand, for the time being.

Mrs McLeod: Project Haven funds are still available for new facilities, though? Have I the right fund?

Ms Gibbons: As far 14 we understand.

Mrs McLeod: Are we currently accessing Project Haven funds?

Ms Gibbons: We have dollars allocated to do that in the budget, \$2 million and a bit that have not been attached to a capital project yet, so we have dollars available to do that. Mrs McLeod: I am torn between pursuing operating issues for transition houses or going back to the question of capital. Perhaps on the more general area, with the moments that are left, can you give me some sense, and I know it is a cross-program, how the capital budget for the ministry is established? I cannot point to a vote line because a number of items involve capital expenditures. How do you respond to the needs? A new office for a children's aid society versus a young offenders' facility versus a transition house versus—

Ms Gibbons: This ministry operates on a five-year rolling capital plan, so at an area and regional level the areas respond to requests from agencies to develop, renovate or replace existing capital plants. The in-year process is to make decisions about how one addresses the yearly priorities and that is done on an "as capital is available." We have had over the past few years about roughly \$85 million in our capital budget against which one plans for the year from the five-year plan.

Mrs McLeod: And regional priorities? Is that money then responsive to regional priorities that have previously been submitted as part of the five-year plan?

Ms Gibbons: It is rolled up from the area through the regional to the corporate level and at the corporate level the operations management team signs off on what will be their priorities. They then go to the minister for her endorsement. The minister would not at this stage have been involved in finalizing that plan for the coming year. That will come to her in the next short while—week, Barbara Stewart tells me.

1730

Mrs McLeod: So there is a need and an effort, then, made to prioritize the projects submitted from one region to another.

Ms Gibbons: I am sorry, Lyn?

Mrs McLeod: When a regional office submits its list of capital priorities, another regional office submits its needs. Do you fund the top two, the top three, depending on the budget of each region, or is there a prioritization between the regions?

**Ms Gibbons:** There would be prioritization within the region and between regions.

I would just like to go back for a minute to this multiyear plan to deinstitutionalize the residents from the—I am speaking, as I have mentioned before, about the Rideau Regional Centre in Montague township on the perimeter of Smiths Falls. There is a percentage of the remaining residents there who are confined to bed 24 hours a day. Does this still plan to move those kinds of residents into group homes?

Hon Mrs Akande: One of the things we have had to face and to look at, certainly as a part of our discussions and our concern, is the fact that we realize there are people in every facility who are in fact very dependent, who are medically fragile, and who it may be difficult to find accommodation for in the community. It may well be that there will be some, hopefully a small group, who will not be able to be moved into community facilities as easily.

But of course you realize that as you move away from something as large as the Rideau centre, or something as large as Huronia, it becomes economically inefficient to maintain that kind of a centre for a core of residents who must stay there. So then of course you are looking at the development of a facility of an appropriate size to accommodate those who must remain in a facility. Then that causes you to ask yourself the question, or the staff the question, are there community groups that will accommodate to that degree of dependency and can we really devolve with those people into—I hate to call them mini-institutions—but mini-facilities? Those are all things that have to be decided and discussed.

Mr Jordan: In connection with that then, at the present time we have over 800 people employed there and are very uptight about, if you will, the whole situation and so is the community surrounding that. The question arises then, if there are a percentage at the centre in Montague township who require 24-hour bed attention, what about across the province? Considering a location, such as Rideau centre, as the one place in the province for that type of resident who does need 24-hour attention, it is there, it is active and the trained employees are already there.

Hon Mrs Akande: I recognize your concern to support the maintenance of that centre relative to the workers and also because you see it as filling a need, but one of the ideas about community living is the proximity of these people to their families, to their communities, so that they can maintain regular contact with them. That is why we move people right into the community and for those who cannot be moved right into the community, it certainly would be best if they were closer to the areas where their families and their friends live, so that they can maintain some kind of regular contact.

I know, though, that there are people in the large facilities now who come from quite distant from where they are living, but it is certainly not an approach that I would want to support, sponsor or continue.

Mr Jordan: I can understand that, but these ones I refer to have no one to come and visit. They are now in their 40s and their parents never did, if I might say, in a lot of cases either have the time to travel the distance, or for some reason, so that they are really being best serviced in the community's opinion by being in that institution and getting the professional care that they are getting.

Hon Mrs Akande: You know that maintaining a large institution for a few people is not appropriate and moving them all to one centre—I am sure that is true of other centres, that might be true of Huronia, and they would say, "What about us?" But certainly the whole idea of having large institutions where we place people and have them living is farthest away from a regular kind of community life, and I think is in opposition to our point of view.

Mr Jackson: Thank you, Madam Chair. I had two areas I wanted to pursue. I thought we had finished with child care, but Mr Perruzza has moved me to extend the discussion slightly, so I want to thank him for allowing me the opportunity to clarify a few points.

First of all, it would be considered unparliamentary to impute motive that I am an apologist for private day care operators. However, we will let that pass. What I would like to say, and this is a matter of extensive record in this Parliament and in the community, is that I am approaching this as a women's issue, and I have been fighting for it for several years. We would not have day care workers in this province under—

Interjection.

**Mr Jackson:** I am talking to the Chair, thank you, Mr Perruzza. This would not be an issue of pay equity if there were a lot of male workers in day care centres in this province. That is the sad truth of the wage and women's issues in this province and in this country.

But I think it is important, and for that reason I would like to table with the clerk, so that he can distribute it to all members so that you do have the benefit of the press conference that was held on Monday, from the workers in the centre, and its title is, "Ontario Government Discriminates Against 8000 Working Women." I certainly would appreciate it if the clerk would circulate that to all members, including—I am sure the minister has her copy.

I would also like to point out that 85% of the operators of day care centres in this province that are commercial are owned and operated by women. I think that as the financial attractiveness of operating these businesses drops like a stone, it is a sad testimony to the fact that more and more women are hanging on and putting their own personal assets at risk because they believe in their centres and believe in their employees.

If we would take the time to investigate some of this, we would find that for whatever reason, history will record that day care as a centre was very much on the leading edge of women and entrepreneurship and that their profits were not excessive and were put back into the business. So it is a very sensitive women's issue for me and I am fighting it on that basis. Certainly the Ontario Coalition for Better Child Care knows of the 9 or 10 items that it supports, I support.

But I have been very clear, consistently, that I do not support this methodology of putting money into the conversion of the centres when that money could be going into expansion. I would like to leave that on the record, because I very much see this as a women's issue. It discriminates against the women operators and it discriminates against the 8,000 employees.

If I may move to transition funding, I want to discuss the two elements that I had raised in my preamble statements, but I have some further concerns, and that is the plans for expansion.

I am familiar with the Project Haven funding, because Ontario was the last province in Canada to access this fund. In fact in the three or almost four-year window—Minister, you would be familiar with this—provinces in Canada had accessed this rather large fund and commitment from the federal government to attack family violence, and that some provinces had actually built their units and had people moving into them before Ontario had accessed any of its money. When this was identified, the

answer from the government was "We're moving in that direction." The truth is that in the last provincial election we saw a hasty announcement because the federal government had threatened the provincial government that its moneys was going to go to other provinces. That is a matter of record as well.

### 1740

Other provinces were desperate to get additional moneys and Ontario's funds could be sent to another province, so you were being very kind when you said that the 11 or so centres are just being completed and constructed. Some have not even been started, but it is because they were delayed until an election. I cannot but say how many victims of violence were not served because we delayed the implementation of those units. So I think the more appropriate aspect of our discussion is where you go from here, because I am not terribly impressed with how hard people had to fight to move the transition home agenda in this province in the last five years.

I would like to know specifically, knowing that Project Haven funds was a four-year window and that those funds are nearly complete, how many specific projects you may have on file and in what communities and if that can be shared by the deputy with this committee. I can tell you that the deputy was unwilling to share that with us under the previous administration. I could not get those answers during the election, as to what applications were available, the quantum of the applications and the specific cities in which they were in. The Ontario Association of Interval and Transition Houses will be the first to tell you that they cannot even get who has made applications. There was this unwillingness to share.

I am hopeful that you are a minister who will be willing to share that complete list with us, so that, again, it can be part of a discussion as to which communities are not being given the support in order to ensure with that domestic violence, which knows no geography, that women have opportunities to have access to those funds in those parts of the province where they are quite inadequate. I do not need to identify them. You know where they are in northern Ontario and other jurisdictions.

Hon Mrs Akande: Actually the deputy does have that information and can provide it.

Ms Gibbons: I have drawn a complete blank as to rejecting providing you with that information.

Mr Jackson: No, the coalition asked it. I am sorry if you misunderstood me. It was the coalition that requested it. My research staff tried to get it but the coalition specifically, in our quite frequent meetings, tells me it cannot get the list.

Ms Gibbons: I can only imagine that they were asking at a point in time before there was discrete approval for something, so I was unable to provide them with that information, but to the extent that we have this information available at the moment around decisions that have been taken, I can surely provide it to the committee.

Mr Jackson: I would appreciate that. The Vice-Chair: Tomorrow morning?

Ms Gibbons: Will be fine.

Mr Jackson: Another very brief question that has to do with—I have identified to the minister and I hope she would comment about the implications of the recommendations of the Provincial-Municipal Social Services Review Committee and its treatment of transition homes differently from other comparable forms of care.

I would ask the minister to respond to that recommendation as it contrasts to recommendations 244 and 247 of the Social Assistance Review Committee report which specifically talked to the vulnerability of children and adult women with respect to transition lodging, that it not be left in the context that municipal social services review suggested. SARC makes a very clear recommendation that women would in fact be at further risk of access and you have stated to me you have not made that decision. I am hoping we are going to be hearing from you, because underlying all of this is their concern that you are unable to proceed with the revised funding model until apparently this larger question has been resolved.

Hon Mrs Akande: Certainly the relationship, not only the funding relationship, but the relationship and the responsibility that are shared or assigned to the municipalities and provinces is one of the big questions. I have to say two things to you about that. Yes, we are, as I said earlier, consulting about that. I have to say, number two, that yes, I am concerned, that I am certainly not leaning in favour of giving total responsibility to the municipalities for reasons I have stated previously, and what that might mean in terms of whether the service is provided as well as how the service is provided.

The third thing I want to say is that in regard to the funding of those services and how we access funds, and we were speaking before about a window that certainly was open to funding through the federal government, the larger question is down the road, because, although I would love to see great changes being made and this problem being solved, it does not look as if it is going to be solved.

As a matter of fact, as more people come forward and require that help, more and more people continue to come. So it looks as though that funding question is going to be one that we will have to deal with and may have to carry a great deal of responsibility for. However, those decisions have not been made. But I hear your concern about leaving it to the municipality.

Mr Owens: Minister, I would like to turn your attention to your statement on page 23 of your submission. In your statement you say that in January almost 8,000 new names were added to Metro Toronto's general welfare rolls. I am curious to know how you contrast that with the \$12 million surplus or \$12 million being underspent in the budget for employment programs. I am curious to know (a) how you justify that and (b) what you are doing about it in light of this rather disturbing information that you have included in your statement.

Hon Mrs Akande: One of the things that was difficult to design and get on track very quickly was the kind of programs that would be appropriately designed for our disabled population. We felt that it was important to allocate certain funds to that population to make sure that they were included in that package. That design is, I am happy to say, now complete. We have pushed and constantly—I hate to use the word "nagged," it sounds too feminine, if you will forgive me—but we have insisted upon it being implemented, and we have now arrived at a point where we have a design that is appropriate for our disabled population.

Those programs, I might add by way of information, are difficult to initiate very quickly in that they include bringing a lot of others on side and making sure that they are involved in a way that makes the program meaningful and useful.

Ms Haslam: I am just going to make a nice, quick plug for Perth county because I have a midwestern centre in Perth county, and before you put everybody in his riding, would you think about putting some in mine? Because it is a problem.

I will give you a hint. What I did was I had somebody come and look at the building and say, "There are other uses for this building." I am not about to let it go down the tubes because we are into a multi-year plan, and we are doing some of this, so come and see me later and I will tell you who it was and you can have him visit your riding and take a look at your building. But I want first dibs on use of the building because it is a problem with this type of thing. As I mentioned before, it is an area that I am becoming more and more interested in because I am having more and more people come to me about the situation and about this problem.

But I would like to go to another situation in my riding, and you will excuse me if I talk about my riding right now, because all of us deal with riding situations and all of us have our things that we have to deal with in a particular riding. As a matter of fact, if you were in your outer offices within the last two days, you will have seen a delegation from my riding in the form of the Perth county councillors. Two of the councillors came to talk to your parliamentary assistant, and I do thank you for letting them come and meet. I also have supporting letters from the mayor of Stratford, from the mayor of St Marys and from the mayor of Listowel.

All of them are quite concerned about the process involved in children's aid society budgets. It is not just as if they are saying there is a problem with the money, which there always is, and I must tell you that the first time they had me come out to a children's aid society and they said, "Karen, we would like money," I had the unfortunate responsibility of saying to them, "You are the 22nd person that I have been to visit and you are the 22nd organization that has asked me for money and I haven't even been sworn in as the government yet."

### 1750

We do have those things we have to deal with, but what they are now dealing with is the process where they have to draw up a budget, where you cannot say no to a child in need, where a lot of the cases they deal with are abuse, both physical and mental abuse. Their mandate is to take the children in, their mandate is to provide a service for their children, but they are operating on a budget that if they go over the budget, they are in a position of having to come back to the councillors and having to come back to the municipalities and having to come back to the ministry and say, "You haven't approved our budget yet. We are now overspent on our budget," and the ministry has to come back and say that the municipality has to come up with extra money and hurts the taxes, the county has to come up with extra money.

The reason I am asking for your comment is because in your presentation here you say, "We look at the recommendations, the proposed changes to the social services system." It is clear that the current provincial-local arrangements must be made simpler, fairer and more efficient. I would like some comments on how we can make this process a little easier for them to deal with in the budgeting, in the county budgets and in the municipality budgets and in the children's aid society budgets when we are looking at an increase of 17.1% in the estimates and part of that problem is not just increasing it 17.1% but changing the process of that whole system.

Hon Mrs Akande: One of the things I want to say is that we have been receiving a lot of information from various areas, not just yours, about this CAS and its problems.

The question that is constantly asked and that is one of the things I have asked that we look at, is the timing of the budgeting process and how it does not seem to coincide with—I recall when I was becoming familiar with this and of course, as all with the naïve, your first question is why and "Why can't we change it?" I have heard the reasons, and in a moment I will allow the deputy to share those reasons with you. However, I am still not satisfied and I am looking for a change in the timing of the budget process because that clears up one of the problems.

The other thing is that the mandatory services that they provide are such that they are facing a situation that is somewhat similar to the situation in which the provinces were. You are paying for a mandatory service, you cannot say, "I'm not going to shore up these people," but in effect you really do not have the money, so that there is only a certain extent to which you can say, "Okay, let's look at altering priorities." But, if in fact your function is such that much of it is mandatory, and it is, you really have to look at the extension of the budget and then we get back to looking at the municipalities and where their share is at fault.

Ms Haslam: I understand that you cannot leave it open-ended either.

Ms Gibbons: I would just add that it is indeed a complex process and you are right that, in the best of all worlds, all of us would have it differently constructed. But, as the minister suggests, it is tied to two realities. One is that the municipalities who cost-share with the children's aid societies operate on a calendar cycle and we operate on a fiscal cycle and the Treasurer does usually try to get his announcements out around transfers to accommodate their planning.

In addition, at the local level, we get into a service plan and a budget cycle, so there is ongoing planning at the local level about the needs of the CAS. But we cannot always account for, and this is the complex part, in-year what kind of volume problems the children's aid society is going to have to face. So we are in a position where at year-end we need to work with them through the exceptional circumstance process to say, yes, in fact the volume has increased and, yes, in fact we can address it through moneys that we can provide after the year-end.

This solved just a piece of their problem because then they need to deal with the administrative costs associated with more volume and we have yet another process to do that and that takes time. So they do live I think in a world where they are somewhat uncertain about their funding for large periods of time. As the minister said, we are seized of that now, and she has asked us to see if there are not some ways that we can streamline it so that there is some relief of the uncertainty of the local level.

Ms Haslam: I understand that you cannot exactly say it is an open-ended budget and go over our budget and come to us for more money. I understand that problem, but you are talking about two other stages and two other steps they go through. Are they ever turned down? The problem is sometimes the budget that they ask for approval for is not approved and they come back with special circumstances. If they are lucky it is approved, but if it is not approved then they come back to the municipality and they come back to the council and they need extra money. My concern is that—

Ms Gibbons: Nobody has the luxury of submitting a budget and having it endorsed totally.

Ms Haslam: I know.

Ms Gibbons: I would love to live in that world too, as would the minister, I am sure. Yes, in fact exceptional circumstance requests are often approved. Child welfare reviews are less often positively responded to either because the people doing the review do not find that the need is there or because the money is not there to address it.

Hon Mrs Akande: The other thing is, though, that I must say that my feeling about it is that it is a petition-heavy process. It is back and forth and back and forth, and I recognize the need and I have heard the arguments about why it should be the way it is.

Ms Gibbons: She did not buy it then either.

**Hon Mrs Akande:** I just want it to change. That is all. **The Vice-Chair:** Another question, Ms Haslam?

Ms Haslam: No, I am going to leave it with a brief comment. We are entering into a major recession, time of depression, and with so many people, and I am talking about my riding, three factories closed down, a lot of people out of work. When we look at how that affects the social programs, it does not just have the effect, as Mr Hope has suggested, that more are on welfare. It is like a spiral. You end up on social assistance, which is not enough, which then affects your family.

I have a major, major concern about the stress placed on families because of unemployment, because of having to go on welfare benefits, on social assistance, the stress that erupts into violence, which then goes into a situation where I only have one hostel for women in my riding and it is not going to be enough, and which again comes back to the children's aid society getting involved and there being an increase in budget there. It is so intertwined.

I have a major concern when we look at our social programs. I understand that you have found extra money to put into some of those well-needed programs at this time, but I want to go on record as having a major concern that while people are saying, "Gee, we are heavy in social programs," the need is going to be so evident in the next while.

**The Vice-Chair:** I do not hear a question there. Do you wish to make it a question?

Ms Haslam: Not everybody asked a question.

**The Vice-Chair:** No, you did not have to. I am just clarifying that the minister does not need to speak.

Ms Haslam: No, I just was very concerned.

The Vice-Chair: Okay. In fairness there are two minutes left. Mr Hope is the next person.

Mr Hope: All of two minutes?

The Vice-Chair: But the good news is you have four hours tomorrow.

Mr Hope: Okay.

Mr Perruzza: Madam Chair, how did I get bumped?

Mr Hope: Because she forgot all about me.

The Vice-Chair: No, that is incorrect.

Mr Perruzza: I want to give Mr Hope the floor, but—

**The Vice-Chair:** For goodness' sake, this is your own caucus, and you are using his time.

Mr Hope: Thank you, Madam Chair. Just to stem on some of the comments that Mr Jackson brought forward, and I am glad he did, dealing with the whole issue of pay equity and women's issues, how it was brought to light to me is my wife is a domestic engineer and when she told me she was going to withdraw her services, then I started understanding about women's issues quite quickly. I have been a fighter for women's issues. I think the pay equity legislation that was passed by the previous government excluded one million women and it was very discriminating upon women, and I think it is important that the value of service has to be calculated into our programs.

Dealing with the value of service, there is a certain part of society out there that is an elderly society, which is called our senior citizens, who have been very instrumental in the founding of the nation and the founding of social programs. I noticed in your statement you talked about the long-term care proposal and you said that there is a group out there that has been missed on the consultation. I am just, out of curiosity, wondering what time frame you would be looking at and what process you would be looking at in implementing this program.

The Vice-Chair: Mr Hope, I think that the minister will be happy to consider your questions overnight and the points that have been raised and answer them.

Mr Hope: Excuse me, Madam Chair, was it not eight minutes after? According to that, we started at 2:08 and—

The Vice-Chair: Excuse me, you are out of your 15 minutes. If you want to start back, it is the Liberals' turn. What we have decided to do, because we have finished equally with 15-minute periods this afternoon through the three caucuses, is to start in the morning with the official opposition. We will ensure that there will be sufficient time so that the entire eight hours will be used. Excuse me, what are you saying, Mr Jackson?

Mr Jackson: I just wanted to thank-

The Vice-Chair: Oh, I will do that. Thank you.

Mr Jackson: —Ms Campbell for coming today. I appreciated very much your attendance.

The Vice-Chair: Ms Campbell, your obvious commitment and dedication is ongoing by your attendance back here today and we do thank you for being here. The committee stands adjourned until 10 o'clock in the morning and we have four hours tomorrow.

The committee adjourned at 1802.

## CONTENTS

# Tuesday 12 February 1991

Estimates, Ministry of Energy	E-41
Afternoon sitting	E-56
Estimates, Ministry of Community and Social Services	E-56
Adjournment	E-86

### STANDING COMMITTEE ON ESTIMATES

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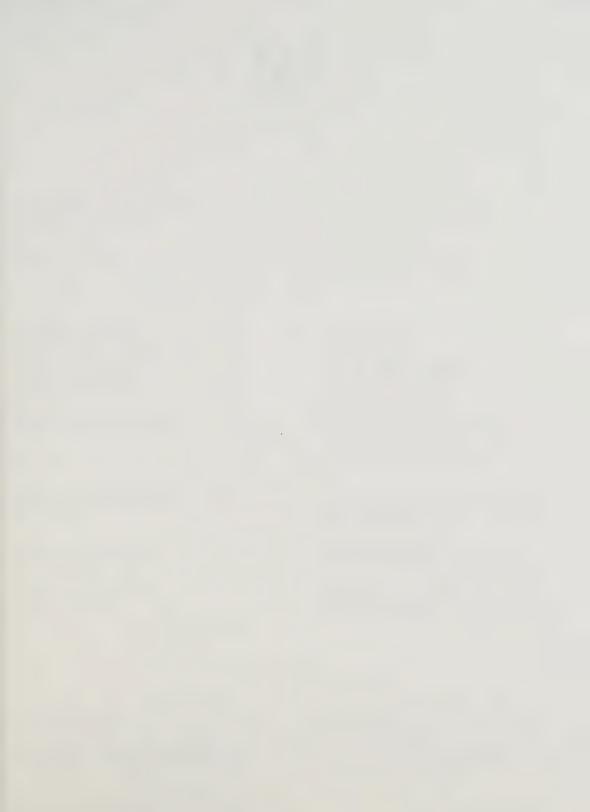
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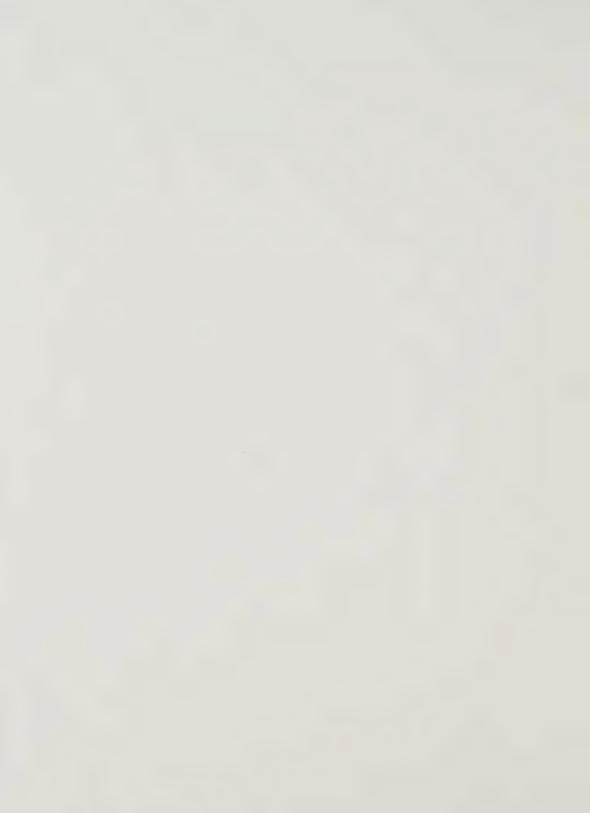
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Ministry of Treasury and Economics

# Assemblée législative de l'Ontario

Première session, 35º législature

# Journal des débats (Hansard)

Le mercredi 13 février 1991

# Comité permanent des budgets des dépenses

Ministère des Services sociaux et communautaires

Ministère du Trésor et de l'Économie

Chair: Cameron Jackson Clerk: Franco Carrozza Président : Cameron Jackson Greffier : Franco Carrozza

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## **Table of Contents**

Table of Contents for proceedings reported in this issue appears at the back, together with a list of committee members and other members taking part.

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# LEGISLATIVE ASSEMBLY OF ONTARIO

### STANDING COMMITTEE ON ESTIMATES

# Wednesday 13 February 1991

The committee met at 1006 in room 228.

### MINISTRY OF COMMUNITY AND SOCIAL SERVICES

The Vice-Chair: Good morning. Thank you for being prompt this morning. We welcome the minister back and we are going to have just as productive a day as yesterday, I hope. When Mr Perruzza comes in, we will give him the same message.

Ms Haslam: Careful now, Margaret. That was not fair. The man is not here.

The Vice-Chair: When he comes in, he can defend himself. He actually told me at the end of yesterday that he thought I did an excellent job in the chair.

Interjections.

The Vice-Chair: That is fine. We are starting off with the official opposition. Mrs McLeod.

Mrs McLeod: We would like to start this morning by looking at income maintenance, which is vote 802, item 3, and raising some of the questions related to social assistance and the problems with greatly increased numbers on our welfare rolls. Without wanting to reduplicate everything in Hansard, I will begin specifically by looking at the issue of income maintenance staff and staff complements.

Recognizing, as I would read the salaries and wages line, that there was no planned increase in staff in the estimates that we are reviewing and that there has been, as you well know, a tremendous increase in the number of people on the welfare rolls in virtually every community, a concern becomes, is the current staff able to deal with the requests coming in? I wonder if you would speak to the issue of the staff loads, the increased case loads that they have been dealing with and whether or not you will be able to address that in the coming budget.

Hon Mrs Akande: I will say some things about that and then I will pass—the deputy is poking me here. She wants to go on record giving some important information.

Mrs McLeod: And committing your government to much larger staff.

Hon Mrs Akande: It is called a plea.

Ms Gibbons: I was just making sure you were awake, that is all.

Hon Mrs Akande: I am here.

The actual fact is, you know, that because of the growth there was a period there—and there continues to be but a little less so, as will be explained—when we did not have sufficient staff to do the kinds of things that we wanted to do.

In order to make the actual program work, you have to have the staff able to do the revisits and to do the counselling and redirection into things such as the supports to employment program, STEP. They were saying that the only thing they could do, because of the growth and because of their limited numbers, was process the applications and actually put people on the appropriate welfare benefits. Of course, that caused a backup, and we all read about that kind of backup.

So the answer to your question is that an increase in staff was definitely required, some of which we have addressed, and we have actually increased the staff to a better case load but not the best.

Ms Gibbons: I think you will be aware that over the last few years we have been trying to get some redress to the increase in case loads and have not been very successful at that. This year, with the unprecedented growth we are seeing in the welfare rolls, we are successful at the board in releasing upwards of 300 staff, but we are now in the process of trying to decide the best way to utilize. It is our hope, at the minister's suggestion, that we orient them to do things that would facilitate individuals getting back to work. That could be called an employment planner. That would be one way we would look at using them, a generalized relief to case loads, some targeted use of them in particular areas to try to link specific individuals with employment opportunities.

Mrs McLeod: You raised, in the answer to the question, one of the important aspects of the social assistance reform program, and that was my second area of questioning, because with the increased case loads again a concern becomes whether or not that STEP program and the support for return to employment can in fact be implemented.

I am not sure if you would have the figures available today, but I would be interested in knowing how many people are involved in the STEP program and what percentage that is of current adult welfare rolls. Is it possible to provide a figure that would give us some idea of the number of people who are on the STEP program who would have been in the workforce prior to the introduction of social assistance reforms?

I appreciate that might be a very difficult figure to obtain, but what I am interested in here is to get a sense of how many people have been able to move from welfare rolls into employment, and separate that from the number of people who were employed who now qualify for welfare through the STEP program because of the reforms that were introduced. I do think there has been some confusion and perhaps some difference in interpretation of the STEP program across the province. I would be interested in your comments on that as well as the statistical information.

Hon Mrs Akande: The actual fact is, and it is important that you mention that, because that is one of the things that we think is so important to these programs, there is a difference in the interpretation. We have found that and we have been working with that. There is also a difference in

the takeup of those programs and how they are responded to across the province and we are concerned about that.

But all the research says that the faster you get someone back to work the less likely they are to remain on the welfare rolls or on the social assistance takeup. So we are very interested in getting in there quickly and, of course, as you mentioned, giving support to the working poor, who are in fact struggling and unable to make ends meet and that makes a difference in the way they operate.

We will get those numbers. We do not have them here.

Ms Gibbons: I can give a generalized response and Bob Cooke, who is our director of income maintenance, may be able to give me something a little more up to date. I think it is safe to say that the STEP program, from our perspective, is working. When you factor all costs in, we are still able to show a decreased cost to the individual and some return on the investment to the Treasurer.

If my memory serves me right, and Bob can help me, we have a small number of people on the welfare rolls now declaring income and participating in STEP. We have not a huge number of people coming on to the welfare rolls declaring income and taking advantage of STEP. The people that are taking advantage of STEP, I think it can be said, are ones that we did not attract into the program, if that is the question that you are asking.

Mr Cooke: I am Bob Cooke, and I am the director of the income maintenance branch.

What the deputy said is accurate. The number of people accessing the STEP program are derived primarily from people who were in receipt of assistance at the time of the introduction of the program in October 1989. I have a couple of statistics to give a sense of the growth of the STEP program since its inception. There are now, as of December 1990, 58,000 FBA and GWA cases with some form of earnings, which means that they are in fact STEP recipients. This is 103% increase since the introduction of the program in October 1989.

There were only about 29,000 people declaring earnings at that point in time, and it has essentially doubled. The amount of earnings that people are reporting is also up significantly. It is up about 89% since September 1989. The average person reporting earnings is now reporting approximately \$615 per month in earnings. As I say, that is 89% increase since before the STEP program was introduced.

Mrs McLeod: You can appreciate my concern in wanting to understand that statistic, which I was aware of, perhaps not that precisely in that my understanding is that people who are not on welfare can qualify for the STEP program, so there can be two different types of people coming into the program, both equally valid. I am not challenging that at all. What I am concerned about is to ensure that we are bringing people currently on welfare into the STEP program, doing opportunity planning for them, so they are in fact able to take advantage of employment.

Mr Cooke: If I could say one more thing, just a couple more statistics with respect to the number of fully employed cases on general welfare. We are indeed seeing people coming on to the program and also leaving the program, working their way off benefits. We have seen

approximately—this is general welfare—2,000 cases come on in each of the last three months with earnings. At the same time, we have seen just a little over 1,700 cases per month leave the general welfare program who, basically because of earnings, have worked their way off the program. So it is a fairly modest net gain in terms of numbers of fully employed. But certainly the program is benefiting people who were recipients before the program was introduced as well as those who are not.

Mr Daigeler: Just to continue that very briefly, I would really appreciate if we could get something like that in writing to give us a sense of the success of this particular program. I think this initiative is certainly what is considered extremely important and I think the minister is agreeing with the direction of this reform, that we try to get as many people as possible working in order to get out of what is called the welfare trap.

I think you mentioned that yesterday as the direction that you want to move in in order to keep your overall budget within some sort of limits. I am very, very interested, and I think so are my constituents very interested, to monitor very closely the progress of this program and whether it is working. If you can give us something in writing that I can share with my people, I would appreciate that.

As you know, the Social Assistance Review Committee program had several steps, several phases, and we were able to implement only the first phase and move somewhat on the second. One of the important plans for the future was some work on services for people who are disabled. Some sort of a universal disability insurance type of thing was envisaged by Mr Thomson. I am just wondering what is your view in this regard. Have you started to look at that? Are you considering it? What is your timetable, in other words, with regard to the remaining SARC phases?

Hon Mrs Akande: Let me answer that question in two parts. First of all, not all of the first stage was completed. I think that is something that I should say. The legislative committee that was struck, the advisory committee on SARC, will be reporting to us some time around the end of this month to give us its recommendations about how we should proceed in terms of implementing the SARC recommendations.

Some of those recommendations are grouped in a way, because they are interrelated in terms of how they should be presented. When they come back to us with that implementation package—and they will be presenting it to the Liberal Party as well as the Progressive Conservative Party—we will begin to look at it in terms of what is possible relative to the budget. The reality of all things must be based on the budget.

### 1020

The second part of what you were asking had to do with long-term disability, and that is an initiative that actually has been taken up by Floyd Laughren. He has taken the responsibility of initiating the interministerial committee that is focusing on long-term disability. They have been working for some time, I believe since the middle or end of October, towards a solution relative to that. You are

quite right that it does look at something, a provision of services or provision of support for the disabled. It is mentioned in SARC and it is also touched on by some of the other papers that have been presented to Comsoc in recent periods.

Mr Daigeler: So there is presently an interministerial committee at work, you are saying, and it is under the leadership of the Treasury?

Hon Mrs Akande: Yes. There is an interministerial committee and there are parliamentary assistants also who are working, so there is a two-level committee. The ministers met in October three or four times to establish some kind of direction, and the parliamentary assistants' committee is working to carry out that package. It will be brought back to us, I am expecting, relatively shortly.

Mr Daigeler: What is relatively shortly?

Hon Mrs Akande: I cannot give you a specific time because I do not know one, but we are wanting the package very quickly so that we can begin to look at it at the same time that we are looking at what the recommendations are from the advisory committee from SARC.

Mr Daigeler: What is the precise involvement of your ministry in this?

Hon Mrs Akande: We do have a member, my parliamentary assistant, Randy Hope, who sits on that committee, and I was sitting on the interministerial committee in October when we were planning the directions and making the considerations about that. Since the responsibility for the disabled sits in my ministry, I have been and continue to be, through my parliamentary assistant, involved.

Ms Gibbons: And there are two bureaucratic staff working in support of that committee from this ministry.

Mr Daigeler: I must say I am rather impressed that the Treasurer would—I think this has been a long-standing interest of his, if I am not mistaken. I think it goes way back—

Hon Mrs Akande: Yes.

Mr Daigeler: —and I am pleased to see that. I think it is important that the Treasurer, who, after all, holds the purse-strings, has such a personal interest in this. But I hope that your ministry shows equal commitment towards this question.

Hon Mrs Akande: You can be assured-

Mr Daigeler: —although it obviously has tremendous implications, especially fiscal implications. It is a policy question that I think we would be very interested in and supportive of and I hope that you can move on that.

Mr Jackson: Let me see if I could follow in on income maintenance. Does the deputy have any revised figures for the estimate for income maintenance at \$1,961,000,000 on page 30? Is there a revised figure that you are working with at the moment?

Ms Gibbons: You will be aware that the Treasurer has indicated in his, I think, last status statement that we are anticipating that growth in that line by—Barbara, was it \$500 million?

Ms Stewart: The Treasurer had recently announced additional case load issues for the current year of just under \$500 million, covering both the FBA program and the GWA program. That information was tabled in the Treasurer's third-quarter Ontario Finances.

Mr Jackson: Okay. Then, given \$500 million obviously unanticipated at this time a year ago, or else it would have appeared as a revision, to what extent are we looking at underexpenditure in other areas? Or is the bulk of this a transfer from general revenue to support this statutory commitment? Deputy?

Ms Gibbons: It is the latter. As we experience case load growth, so the Treasurer needs to consider how, within his general revenue, he can participate in assisting us with the expenditure.

Mr Jackson: We will be seeing the Treasurer later this afternoon and tomorrow and I can build on that answer as it relates to him. But can you then identify areas within the estimates where you can anticipate significant underexpenditures?

Ms Gibbons: Underexpenditures?

Mr Jackson: Yes.

**Ms Gibbons:** It has not been my experience since I joined this ministry that underexpenditures are a phenomenon that I have much—

**Mr Jackson:** I can probably give you one or two examples, but "significant" may be in your view \$10 million; "significant" to some others might be \$100,000.

Ms Gibbons: I think it is safe to say in a budget of almost \$6 billion last year we had a surplus, an underexpenditure, of some \$22 million, which is less than half a per cent, which I would suggest many might think was a budget managed very well indeed. Now those surpluses appeared in a range of lines and I do not have at my fingertips a range of those lines, but I think as we go through them we can pick some of them up.

Mr Jackson: Okay. If I can move to some questions with respect to what we are experiencing in the field, many of us are getting a lot of our information from the media and from contacts with municipalities which are coping with the large increases in applications. What we are seeing are various trends. One, that rules for application and follow-up have been dramatically revised to reflect the increased demand and also to reflect the fact that there was a policy change for the homeless to be able to receive benefits in the last year and it is having its impact in this budget year in terms of what it means in terms of case load, the further complications for audit accountability and follow-up and the issue of inconsistent staffing complements, case loads.

When I talk to field workers, case workers, I, all of us in the social policy field, are aware of the burnout, but it strikes me that when someone is carrying a case load of 400 and another one is carrying a case load of 150, that is patently unfair to both sides of the equation, the worker and the recipient who is dependent.

Please speak to the committee, if you would, with respect to how we are coping with that through our field

offices. I realize that means additional dollars which are being spent for that follow-up and supervision of the process in the field, or is the situation so strained that the funds are being flowed to recipients as priority? I think you understand the nature of my question.

Ms Gibbons: Let me say a couple of things and Bob can more fulsomely flesh it out if I do not get it quite right. The range of case load that you speak to, the 150 to 400, might reflect, and I need the clarification from you, the difference in case loads at the local level, the municipal level, versus the provincial level. We have in the past agreed that a differential could exist in those two populations because they vary significantly and we have been operating at the municipal level at the range of 100 to 125 and at the provincial level with 250. With the increasing case load growth over the last few years, we have not been able to maintain that average. We have tried all kinds of variations on a theme of work distribution to ease the load so the client could get the service intended, and as the minister said, the recent increase to our staffing levels will allow us to move the current average, which is something in the order of 350, down to a more workable load.

1030

Mr Jackson: Yes. I want to hear that we have a specific strategy, that we have a monitoring mechanism so that those are allocated appropriately, because we know what is implied if they are not.

If I could perceive that into the STEP program, I am glad the minister corrected the impression that we are not on target with SARC, that we did not implement the first phase of SARC appropriately, and both her party and my party complained bitterly at the presentation of the then Minister of Community and Social Services because the government of the day put a very heavy emphasis on the so-called success of the STEP program as a means of saying, "Well, we have the strategy in place and, quite frankly, we anticipate such good things happening that we may not have to go the full nine yards with SARC."

I happen to still maintain my position that we should be on target with SARC and therefore I have a healthy scepticism of how the STEP program interrelates with the issue of generally raising income levels for the poor in a more comprehensive income support process.

You may wish to comment. Could you clarify for the record, for example, that STEP obviously is not growing at the same rate as case loads, so it is on a rather rapidly declining ratio of applicants for general benefits to program applications to assist those, predominantly women.

Hon Mrs Akande: I think you are quite right in that STEP is not growing at the same rate as the case loads, but the point that you raised previously is also a very important point to bring into the discussion, that until recently we have had to increase workers in order to have the kind of ratio between worker and recipient so that in fact those people could do the entire job that they are set out to do. A very big part of that, especially in relation to STEP, is the employment counselling. So now that the numbers are better—as I say, not at their best but better—our expectations can be more realistic about their including within their

responsibility sufficient time to do that counselling, and we are expecting, I would say, rather than just hopeful, that the returns of that particular exercise and that labour and that determination will be shown in the numbers that do take advantage of the STEP program.

I must say too, in addition to that, it is also necessary to make sure that STEP is being picked up by all groups evenly across the province, because you know that in some areas it is presented somewhat differently and therefore the advantage is not the same.

Those are two of the responsibilities that we are going to address in order to make sure that those numbers increase. I am in no way trying to imply, though, that it is going to be a sufficient substitute for introducing the rest of the SARC recommendations. That is not what I am intending to do.

Mr Jackson: I do not consider the STEP program that successful if it is in a no-growth mode in that we are essentially dealing predominantly with women who have had access to the program at its inception. It was a different economic time, with a considerable amount of money expended by the previous government publicizing and promoting it. We do not have the luxury of doing it now with the high value placed on putting dollars into people's hands so that they can buy food and maintain their residences. I understand all that. I just feel that this is a program area which—the words used by your director of income maintenance are, "It's in a no-growth mode." I think we obviously have to re-examine, from a policy point of view, how we get back on track with SARC, which leads me to my next question.

Given the incredible pressures that are being put on the whole area of income maintenance, and given your party's prior commitment to staying on track with SARC and that perhaps it may not be able to come on track, could you give us a status report? I would be specifically requesting a written report on how many of the 272 SARC recommendations have been implemented to date and to freeze-frame for us exactly where we are along in phase 1 implementation.

I know you cannot speculate on what your strategy for the future is. That is a discussion for your cabinet and it will appear in your estimates and your budget. But can you tell us exactly where, in your opinion as minister, we are going to be on 31 March? That helps all of us to determine just how far we have to go and to assist all three political parties in the House to have an understanding of how we can come together in order to move the SARC agenda, which I think is singularly the most important issue in your ministry today.

Hon Mrs Akande: Certainly we can provide for you a status on the SARC report as it is at this point, what things we have implemented to this point. Do we have it here?

Ms Gibbons: Yes, I was going to take a flyer with it and Bob can help. I think, Bob, I would be right in saying that 26 of 66 stage-1 recommendations of SARC have been implemented. The answer to the second question, I think, is captured in the direction that you have given to your advisory committee to fast-track the remainder of those recommendations and to be prepared to provide you

with a report in the next few weeks. As you have suggested, only when the minister has an opportunity to have a response from the Treasurer on the planning process for next year's expenditures can she say what pieces of those will actually be moving ahead.

Mr Jackson: So the 26 of the 66 basically represent the point that we have only half implemented phase 1, which was of concern to us who were not in government. But can the minister share with us those areas which she already is aware are of a priority in the process of her consultation with groups in the five and a half months she has been minister?

**Hon Mrs Akande:** Are you speaking of those areas that are of priority but are being studied by the advisory group?

Mr Jackson: Which of the deficient stage-1 recommendations have been drawn to your attention by groups as priorities? I am asking you what your understanding is from listening to groups. What are the priorities within those 30-odd recommendations that the previous government did not proceed with?

Hon Mrs Akande: I will tell you a few. One of them that is loud and clear is opportunity planning. There seems to be—and that is under discussion from a lot of groups—a feeling that this is the primary area which would make a significant difference in the lives of social assistance recipients, and that comes not only from various groups and poverty groups that I have met with but it also comes from people who are dealing with food banks and people who are related to this problem in other interests. That would be, I suppose, the number one issue that we most frequently discuss.

The other area I think that comes close to that is a system of providing welfare where—I cannot remember the phrase that they use—but without the constant supervision of counselling; in other words, so that they are asked to keep track of the changes in their circumstances and it is more based on a trust than an effective count. They feel that would reduce the number of workers who would be needed and would significantly increase the possibility of those workers being used in other ways.

The folding in of general benefits so that there is no separation between GWA and FBA and the way the applications are made for that; certainly it is felt that there is a halt in the system—and that is spoken about often—in the two-stage application and it seems an unnecessary way of doing that.

1040

**Mr Jackson:** My time is up, but I was just hoping that the minister would be aware of my concern with transitional housing and those recommendations.

The Vice-Chair: Well, you can discuss that.

Mr Jackson: I would ask that maybe the minister could have a meeting with that group again to ensure that it comes back as a priority. Thank you.

The Vice-Chair: Thank you. Who would like to speak for the government committee members? Mr Hope.

Mr Hope: As we go through the whole analysis of the Community and Social Services review and as I start looking at the parts dealing with federal contributions, provincial contributions, municipal contributions, it seems like a lot of us are being heavily attacked in our municipalities by a number of concerns dealing with the overall cost of the programs that are being implemented. Do you see the ministry doing more direct communication with the municipalities on their concerns? As we start to meet a number of municipalities giving us calls, asking for consultation, do you see yourself moving more in a direction of interaction between those municipalities?

Hon Mrs Akande: We have already begun, as you know. Some of the communication has been initiated by the municipalities. Some has been initiated by us in response to issues that are brought forward by various members of the House that their concerns are that municipalities are unable or unwilling or having difficulty in providing the appropriate services for people. There is a long lag time between the time in which the application is put forward for social assistance and people are actually given social assistance. There is also the difficulty that people wait until the need is immediate and then they make application. Some of them are waiting as long as two and three weeks, and more than that, in order to be brought on to social assistance. The communication between the municipalities and our office has long begun.

It will intensify because there are specific issues, of course, as you know, that we have to talk about—the interrelationship of funding, but also how we operate on the long term, because we recognize that this is a difficult problem and it requires more than just an immediate response. It requires that and it also requires some long-term planning.

Mr Hope: Stealing to another part of the topic, dealing with the issue about drug and alcohol abuse, and I am looking at the anti-drug secretariat section of it. I am looking at page 103 and it talks about treatment services. In the previous years I see no commitment by the previous governments to the treatment services aspect. Do you feel it is a very important issue that we move in that direction for the change, with adding moneys into that section?

Hon Mrs Akande: As I mentioned, I believe, yesterday, there are two new specialized treatment services; there is one in Ottawa and one in Windsor. We are collaborating with the Minister of Health and the Minister of Correctional Services in initiating this, and also with those ministries on their new treatment initiatives, because you know the Ministry of Health has been quite involved in this particular area.

The government has received the advisory committee's report for the anti-drug strategy, and it is using an interministerial committee under the leadership of the anti-drug secretariat to respond to these recommendations. We recognize too, and I think that point has to be made, that as the Minister of Health has stopped funding or has reduced the funding of drug and alcohol abuse treatments from the United States, then that responsibility will sit more and more in the Ministry of Community and Social Services.

We will have to focus on picking that up. Certainly we will be looking at extending the services as they are required, but we are not entirely sure that the focus of the service will sit only here, in that, as we have said, Health and the Ministry of Correctional Services are involved in this.

Mr Hope: Just a couple of other points dealing with—as most of us are well aware, at least in our previous lives—and everybody will wonder if I have come to a new life; I know it is not heaven—but one of the things I—

Mr Jackson: You are in the government. Think about that.

Mr Hope: One of the things in my previous life which we fought against were the changes to the Unemployment Insurance Act that were being implemented by the federal government, which took away the responsibility of the federal government, putting the responsibility on the employer and employees. During that time frame when the federal government announced the changes to UIC, it talked about taking the surplus moneys or moneys that were going to be allocated for training purposes. That was one thing that was tacked on to our paycheques and started 1 January 1990, and to this day the minister responsible, Barbara McDougall, has not even announced any training program.

Why I bring this to a question is because we, as a government, have programs in Community and Social Services dealing with retraining to get people back into a job market, yet we are not seeing the commitment of the federal government to help workers through the UIC section of its mandate addressing the concerns facing people especially of Ontario and throughout Canada as a whole. Do you see your ministry moving in a direction to put more pressure on the federal minister, Barbara McDougall, to implement a program, and will you see any role you may play as the minister making sure that the guidelines, what will be constructed as a training program—will you make sure you voice your concerns on programs you feel it is very important that the federal government do?

Hon Mrs Akande: Certainly this is an area that must be addressed collectively by our government and not by any single ministry; that is not to say that I would not add my voice to the chorus. But it must indeed, in order to be effective, be a chorus. There are a number of initiatives that have been announced by the federal government which have been differently picked up and the reasons behind them are varied.

One of the things that certainly is true is that there are not sufficient skills training programs that have been provided by the federal government to be used by those who have found themselves unemployed because of some of its other policies. You also mentioned that the UIC has been cut back and rests on the shoulders of the employer. I have to mention again and again and again that the ultimate result of that is that people move more quickly to social assistance, so it does ultimately become our problem.

1050

One of the members yesterday questioned my mentioning the federal government in response to this budget area. I think the reason I continue to mention the federal government is obvious: it is that as it moves, so do we, and very often those moves are negative and a poor effect. So yes, I would add my voice to the chorus. We do need more training programs.

Mr Hansen: My area of concern actually gets into Mr Hope's area also, of unemployment insurance and people going on welfare. It has to do with the supports to employment program. In 1989, I believe, the figure was 28,000. We went up to 59,000. That was a 103% increase. What would be the percentage increase forecast in 1991-92? The other thing is that we have 1,700 clients leaving. Does it look like we are going to increase that amount, because the program, being the length of time it is and the number of people going into the program, is there any indication of the number of success stories, let's say, which will increase in the upcoming year?

Hon Mrs Akande: Some of the information about the current history on success stories was given by Mr Cooke, and I will ask him to look into his crystal ball now and see if he can come up with some projections for success stories.

Mr Cooke: One thing I should say is that we are in the process of conducting an evaluation of the STEP program with an independent consultant to get at some of those success stories you refer to. I should mention that the growth of the STEP program has moderated in recent months, largely due to the economy. To the extent that the jobs are not there, our clients are not able to access them and the growth has moderated.

Just to tie it back to the federal government, it is very difficult to say the extent to which UI cutbacks and other things, high interest rates, have impacted on the ability of our clients to access STEP. We are not in a position to say what that 103% increase would have been had it not been for the downturn in the economy. Suffice it to say it would have been significantly higher.

Hon Mrs Akande: I want to add to that one thing, though, that you will note that our government has allocated \$700 million in an antirecession package and this ministry will have the takeup of part of that and focus on not only STEP but other back-to-work programs. So we are hoping that with that focus, but not only that focus, the results will be favourable.

Mr Hansen: Have you got any indication on exactly the areas it works best? Does it work better in an urban area or a rural? I come from a rural area and have a little bit of urban also. Are there any statistics percentage-wise where actually the success is, because sometimes a rural area, there are not the opportunities of an urban—

Hon Mrs Akande: Perhaps Mr Cooke has some statistics. What I know is that it works best where the jobs are. It works best where you can access the facilities and access the jobs and services that make it possible for women to go back to work. If you have any more detail than that, Mr Cooke?

**Mr Cooke:** We have not done an analysis of urbanrural, but this independent evaluation I mentioned is going to be quite comprehensive. It will look at urban-rural and also native reserve, so it is very thorough in its scope. Ms Haslam: I would like to switch to a report I had called the Scarborough poverty conference report. I notice that poverty is something you have mentioned quite often, and it is a major factor today. One of the things I would like to address is life insurance for people on welfare and social benefits, and the fact that in some cases there is no life insurance or there is not enough to cover a good life insurance situation. I wondered if you had any information on that. I have a problem. I would like to know if there is a life insurance package for people on social benefits, on social welfare.

Hon Mrs Akande: I am not aware of there being any such thing. I have never been, even in my previous—Bob, do you know about life insurance?

Mr Cooke: There is a very modest amount built into the benefit structure—I believe it is \$10 per month—to allow for a life insurance policy, and that amount has not changed for quite some time.

Ms Haslam: I am raising the concern because it was drawn to my attention that markers on graves—the fact that deaths occur and there is very little money for them and it is another dignity—

Interjection.

The Chair: We will let Ms Haslam have the floor, thank you.

Ms Haslam: I knew I liked you, Margaret. Someone had mentioned that there was not a fund for insurance, and that the possibility of having markers on graves was a problem in that they did not have enough money to even do that type of thing in case of death. That is a dignity problem. I just wondered if that was the case.

Hon Mrs Akande: There is a funeral benefit in that social assistance structure which—I am afraid I have been focusing on making sure that people maintain life and not on the death benefit. Bob, would you be good enough—

Mr Cooke: Municipalities have a legal responsibility when someone who is indigent passes on to ensure that the appropriate burial arrangements are made. Under the General Welfare Assistance Act, there are cost-sharing terms under special assistance and supplementary aid whereby the province will cost-share with the municipality for the costs of indigent burials. The municipality negotiates with local funeral parlours an arrangement that it feels appropriate to the circumstances and it is up to the municipality, I guess, the number of features that would go into the package it would negotiate with local funeral parlours.

**Ms Haslam:** It is the municipality that deals with this particular issue?

Mr Cooke: That is correct.

Ms Haslam: I was not sure about that information. Can I go to—

The Vice-Chair: I am sorry. You cannot at this time.

Mr McGuinty: Minister, returning to the STEP program, that, I think, is generally recognized as meeting the needs of single parents. I wonder if any thought has been given to extending or adjusting the program so that it addresses the concerns of disabled persons returning to the

workplace. They have particular costs associated with transportation, assistive devices, clothing that wears more rapidly, those kinds of things. What is happening in that regard?

Hon Mrs Akande: In fact, the disabled are eligible for the STEP program. In addition to that we have targeted them as one of the groups with our new wage adjustment packages we have announced in the last House, so they are really not excluded. The whole concept does include the assistive devices, transportation costs: whatever is required in order to get people back to work is included within that, in both of those.

Ms Gibbons: As well, part of the redesign of the employment programs includes a very specific focus on how we can use those better to repatriate the disabled to the workforce.

Mrs McLeod: I wanted to ask about the whole area of supplementary aid and special assistance. I am concerned about funds which are discretionary in their administration within the municipality, and the fact that with the municipal costs increasing at a rate greater than they feel they can manage that may put some real pressure on the decisions in the discretionary areas. I am first of all wondering whether or not at some future point it is possible to provide us with some statistical data on the differences from municipality to municipality in the provision of the special assistance moneys. When I ask for something like that, I would certainly be willing to have the minister say: "That figure is not available without a tremendous amount of work. I don't want to tie up ministry staff that need to be involved in program implementation with producing figures that are not readily available." So let me make that statement at the outset of asking for information.

But besides the statistical information, minister, I am wondering if you are considering looking at the cost-sharing formula so that there would be some relief from the municipal share of those discretionary costs so that they can be applied where the need is real.

Hon Mrs Akande: You know, of course, that one of the recommendations in SARC does recommend that in fact those things not be discretionary to the municipality and that it be taken up by the province, but we all know the cost that is involved in that.

1100

Let me answer first about the discretionary data. Let me tell you something you probably already know, Mrs McLeod, and that is that it is very uneven, not only from municipality to municipality but from day to day. What is refused a recipient one day will be given to another recipient on another day. So it makes the collection of data very difficult because of the inconsistencies in the way it goes. The whole area of discretion is indeed applied differently by different people even within the same municipality, so that becomes a difficulty.

However, whatever information they do have we would certainly be happy to let you have, as long as you recognize that it is not as beautiful a piece of research as we would like to have or as thorough.

The other thing about discussions within municipalities—certainly, as I have said, that is an important part of our work right now. As we have had to be discussing with so many of them because of the difficulties they are having in responding to the needs in their municipalities, we are structuring a more formal approach. We have met with OMA—forgive me; I get all of these letters mixed up: AMO, thank you. I knew I would get it backwards. I remember when we used to speak English. It is a good thing I do not work for the UN. This is why I have them around. They tell me what the letters mean.

The point about meeting with them is that that was one of the issues that was very up front, that they are finding it difficult to cost-share. We have had to go in and rescue some. We have had to have negotiations with others. Certainly, when that difficulty becomes apparent, the first

thing that goes is the discretionary area.

Mrs McLeod: What is the cost of going to the SARC recommendations on these particular funds? Another SARC recommendation, which is potentially very costly but very important, was the market-basket approach for establishing rates for social assistance. Is there an effort being made to cost the current costing terms, the market-basket approach?

Hon Mrs Akande: Yes, there is. That is something that will be reported on, as you know, by the advisory committee when it comes to it at the end of the month. Certainly there is the market-basket approach, and we are looking at the costing of that relative to the costing of some other means of getting a more realistic cost of what people should be receiving on social assistance. But that is one, certainly the most popular and high-profile, technique of getting a handle on that and it is being funded.

Mr Daigeler: I am going to ask, for a change, a question on the actual estimates book.

Ms Gibbons: What page are you on, Mr Daigeler?

Mr Daigeler: Page 30. You probably will not be able to answer that without you looking at it. The increase for the family benefits is listed there from the 1989-90 estimates to the 1990-91 estimates as 21%, which is of course a very significant amount. Does this increase only reflect the SARC reforms for the increased family benefits or did you already calculate into this figure the possible impact of a recession?

Hon Mrs Akande: No. What that consists of is the shelter benefits, the increase in costs of that, the children's benefit from STEP, the rate increase of 6%. It includes the rate increase of 5%, which was funded in the estimates. The first increase of 6% was in January 1990 and the other of 5% was January 1991. It also includes 6% case load growth and the staffing for STEP, which was 32 staff.

Mr Daigeler: So there is a 6% case load increase figure into that?

Hon Mrs Akande: Yes.

Mr Daigeler: What do you expect the actual increase to be as you can currently estimate it?

Hon Mrs Akande: Mr Cooke?

Ms Gibbons: Thirteen per cent is our current estimate.

The Vice-Chair: Mr Cooke nodded.

Mr Daigeler: Obviously, we are looking at some very significant figures here, very significant dollar amounts as well. This is not related to income maintenance, although I guess in a way everything is. The drug benefits plan obviously also has had a very significant increase. It is on page 39. The figure is also 21.7%, an increase from the 1989-90 estimates to the 1990-91 estimates. Is that figure also continuing to climb in the same way, continuing to do that? If so, what are your views on this matter as a new government?

Hon Mrs Akande: The escalation of that figure is all related to growth. It is cost escalation. It is the increase in growth, and as the case load—

Mr Daigeler: And takeup.

**Hon Mrs Akande:** That is right. And as the case loads grow that figure will probably grow.

Mr Daigeler: It is not so much the seniors but really people who are on family benefits—

Hon Mrs Akande: The seniors are included in that, but as the—

Mr Daigeler: But you would not see a dramatic increase in the seniors—

**Hon Mrs Akande:** No, but the family benefits are also included. I did not want you to think there were two separate funds for them.

Mrs McLeod: We have been following news reports about the apparently close agreement between MCSS and Metropolitan Toronto to move people more quickly from GWA to FBA. I wonder if you could tell us a little more about the nature of that agreement, how long it currently takes to move people from GWA to FBA, and whether any kind of agreement which would make a difference here in Metro Toronto would be considered for other areas of the province.

Hon Mrs Akande: We have been meeting with Metro Toronto. As a matter of fact, soon after I assumed the responsibility in this role they made an appointment and came to meet with me about the fact that there was a great delay in movement of people from GWA to FBA. As I have said, we increased the number of workers and met with them to talk about increasing the rate of movement. Currently I believe the time is—what?

Ms Gibbons: We have quickened the rate of transfer from the GWA to the FBA case load. My memory says 1,200 per month.

**Mr Cooke:** That is the historic figure. We are now attempting to achieve a higher rate of transfer.

Ms Gibbons: I think, though, the increase has been 1,200 per month, I understand, as of the discussion with Metro yesterday. There have been various sort of administrative activities at the local level to see how they could smooth that transfer, and it has been reinforced by the addition of new staff. So we are hoping those changes administratively and changes of staff will expedite that backlog and its conversion to FBA.

**Hon Mrs Akande:** How many days would it take? What is the rate of movement?

Ms Gibbons: The rate of movement was at what and is now what, Bob?

Mr Cooke: It was taking approximately five to six months on average for the transfer, and we are hoping to bring that down considerably over the next few months.

Mrs McLeod: Is it a problem exclusive to Metro, or do you have similar kinds of long periods in other communities?

Hon Mrs Akande: There are similar difficulties, I would hope not as extensive, but they do exist in other areas.

Ms Gibbons: In those parts of the province where we have integrated welfare services, this is not a problem. I am not aware, Bob, of major problems in other jurisdictions. Are you?

**Mr Cooke:** A number of municipalities have negotiated over the years with the ministry for what is called a joint intake process, and what Metro is doing now amounts to the same thing.

Mrs McLeod: We are trying to cover a number of areas, as we have still a little more time. I am wondering whether you have any figures you could provide us with as to the number of people who are currently on welfare rolls who would be part of the federal refugee backlog.

### 1110

Ms Gibbons: My sense is that we currently have 24,000 refugees on our case loads—the bulk of those in Toronto, some 17,000 or 18,000 in Toronto. Have I got that right?

Mr Cooke: That is an estimate. Metro is the only municipality that keeps very accurate statistics. There are several others that estimate the numbers they have, and those numbers are projected to increase because the capacity of the federal government to process cases will not be equal to the number of people they expect to come into Canada over the next year.

Mrs McLeod: Is it possible to provide some or all of those individuals with provincially issued work permits in order to make them eligible for employment?

Hon Mrs Akande: Certainly it is something we have been discussing because of the fact that—as you know, and as I am always reluctant to say—they do form a significant percentage of those who are looking at other emergency measures, food banks being among them. One of the things we thought would be helpful is to provide for them a work permit so that in fact their numbers using those emergency services would be significantly reduced. It is currently being looked at.

The Vice-Chair: Mr McGuinty, two minutes.

Mr McGuinty: You expressed an interest yesterday in addressing the issue of food banks. I am going to allow that opportunity to you now. Also, could you tell us how you plan to address the recommendations for improvements which arose out of Bishop Finlay's task force? In particular he talked about an emergency food fund which would be administered through welfare offices, and changes in municipal zoning laws to make basement apartments and extra rooms as part of the affordable housing stock.

Hon Mrs Akande: Let me tell you that the emergency initiative already exists to some extent at welfare offices. It unfortunately comes under some of the discretion that Mrs McLeod referred to and therefore it applies differently in different places. Of course, there are also limitations on the number of times people can access that service.

I did not want to leave you with the impression that there was no emergency response at all that existed in terms of social assistance. Our initiative with the food bank, our work around that, has been more to effect a change in people's income so they would not need the food banks as a way of doing that. The food banks informed us quite directly that one of the things that brought more people to the food bank was the shelter costs, so we in fact increased the increase to address the shelter costs.

You know also that this government has moved legislation which in effect attempts to put a hold on the escalation of those shelter costs, so that is another initiative which attempts to focus on the food bank population, if you will, so that there would be less need there, because we were told a significant percentage of that group came because of the increased shelter costs.

All of the moves we have done in terms of the increase in social assistance, the increase in the minimum wage, all of them have been addressed towards getting a segment of the population off the use of food banks. In addition to that, we have initiated back-to-work projects that we have referred to as antirecession packages, which here again target that specific group.

In terms of your saying this access, I relate it to an access program where the recommendation is that we encourage people to convert their basements and other space to living quarters for those who have not. You know that that has already been going on by a few groups in various areas and they have a large group or co-ordinated group meeting around that. I am very supportive of it; I might say that right now. The difficulty is to encourage the tax group to allow that without increasing the taxes of those people who take up that initiative and do that. Currently what happens is that if you convert some of your space to liveable space your taxes are increased; while we are encouraging that to happen, on the one hand, that acts as a disincentive on the other.

Mr Sterling: I would like to talk to you a little, Minister, about Rideau Regional Centre. May I at the very outset say that I disagree with the name of Rideau Regional Centre, as it is located in Smiths Falls, approximately 10 kilometres from Rideau Correctional and Treatment Centre? Therefore, I would appreciate your consideration of changing the name of that particular residence, as I would call it, or home. It has been a wonderful home for many, many severely mentally handicapped adults for as long as 40 years.

I am concerned about this particular residence, as I call it; some would call it an institution. At one point in time this residence had as many as 3,000 residents in it. At the present time it is down to about 850. The remaining 850 residents are, quite frankly, severely mentally handicapped and have in addition many medical problems as well. In fact, I understand their medical needs are probably about five or six times the normal resident in Ontario. I am concerned

about the demoralizing effect on the staff of Rideau Regional Centre, as it is now called—hopefully, not for all of the future—but I am also concerned about the responsibility of the province when a resident is discharged from this particular institution, particularly as we peel down to people who are perhaps less and less able to take care of themselves outside in the community. What is the responsibility of your ministry in the province of Ontario on the discharge of a resident from Rideau Regional Centre?

Hon Mrs Akande: You touch on a question in which I have expressed a great deal of interest and received a great deal of focus during my first term in office, that is, the multi-year plan. It is a question I am most happy to discuss with you.

First, let me try to take these things in order. Relative to the name Rideau Regional Centre, we will all agree that that was established long before I came. This is the first time I have heard that it is considered inappropriate, and I will take that under advisement and refer it to those who deal with such matters, though I have not yet identified who that might be. I just looked at the deputy and she looked at me and we both raised our eyebrows and that is it.

Ms Gibbons: We could do it right here, Minister.

Hon Mrs Akande: That is it, but we will certainly take that under advisement.

Mr Sterling: Well, I would prefer it to be called a home or a residence rather than anything else.

Hon Mrs Akande: I see.

Mr Sterling: I do not care what the other words are. Perhaps you might want to ask the parents of these residents what they might think it should be called.

1120

Hon Mrs Akande: I recognize your concern and I have recorded it.

The second thing about the closure: We are moving in our multi-year plan towards moving residents into the community. I think everyone should have an opportunity to be part of the community and that the community should spread its arms, so to speak, and take on the responsibility of recognizing all who live within it and supporting them appropriately. We are quite proud—or certainly the previous government can take pride, and I will do so, in the fact that this is an initiative that has been moved along and that people are being moved into the community.

But you ask about the responsibility of the government when someone is moved into the community, and I think it is there. My feeling would be that when we have identified someone as needing support and assistance, then of course the support and assistance responsibility for that continues when that person is moved into the community. Because there is a recognition of that, the government has worked through the various groups, the Ontario Association for Community Living for one, which I mention because it is quite well known, and it has assumed the responsibility in caring for these individuals, in seeing they are supported out in the community.

But as a government our responsibility continues, and to make sure there are criteria and standards that are followed, that there is a monitoring in place. In fact, our government has indicated that responsibility, not only with those who are being moved out of centres but also others in the community, by initiating an advocate and an advocacy office that will work independently out of Citizenship.

Mr Sterling: Those are nice words, and I do not disagree with the nice words. Your legal responsibility, as I understand it, lasts for 90 days after discharge. There are people now, very vulnerable adults, who are falling between the cracks. I cannot give you her name, but a resident was discharged two and a half years ago from Rideau Regional Centre. A still existing resident at Rideau Regional Centre wanted to contact this woman. She has disappeared from the face of the earth. No one can find her. No amount of effort in trying to locate this individual seems to lead to anything. I raised it with the last government and its answer to me was that there was no method of tracking these individuals. There is no concern by the ministry after 90 days as to whether resident A or resident X is happy, whether they are clean, whether they are being cared for or whether the social net out there, which we would all like to brag about, has actually picked up that individual. If I call this woman Jane Doe, obviously somewhere along the line a social worker or someone did not pick up her interests.

I fear for a great number of those residents from Rideau Regional Centre who have been deinstitutionalized, if you want to call it that, in the last two or three years, because we are starting to get lower and lower in terms of their ability to speak for themselves. I would plead with you, Minister, that you undertake a study of the last 300 residents who have been discharged from Rideau Regional Centre, follow through on each and every one of those individuals to find out. Are those people happy? Are they alive? Are they being taken care of?

While it is very politically popular and astute, I think, to talk about the fact that we can have in our communities a nice caring community for all of these individuals, to a lot of these people, who are unbelievably vulnerable and have serious medical problems, the community at Rideau Regional Centre offers to them more chance for freedom to operate a normal life than on the outside.

For instance, you put five very severely mentally handicapped individuals into a bungalow sitting in the middle of another community. Those five individuals look at each other, look at the workers who are involved with them and their life is very, very contracted. Often the workers involved in those smaller units do not have the same skills as the workers do in the larger units.

Therefore, I would really hope that when you are dealing with your policies as to whether or not you should close down places like Rideau Regional Centre, or Rideau Regional Home as I would like to call it, you would go and look at what has been the real success of these low-functioning adults. There are adults in Rideau Regional Centre who have to wear a helmet all the time because they will injure themselves. There are people who have to be restrained because they will tear their eyes out if given the chance. There are people who cannot function without a high degree of supervision.

I want to tell you, Minister, that you should go and visit this particular home, because a lot of people have the wrong idea of the kind of services that these particular residences can provide. I think it is an extremely good institution and home for a lot of people.

My particular question to you, and I think it is a serious one that you should not continue on with going to these very low-level functioning adults, is will you go back and look at the history of people who you have been discharged from these residences, and say: "Are you happy? Are these people healthy? Have we made the right decision in putting them on the street?"

Hon Mrs Akande: Mr Sterling, you have of course come to the topic of the review, have you not? You have touched on the area of the review that I have been reluctant to advertise because of the fact that I thought it would have unwarranted negative affects on people. I appreciate what you are saying and I have recognized it. I know that many of these people are looked after by adult protective service workers when they find themselves into boarding homes or into other circumstances, and some of them are picked up there.

I know too that this ministry has not done tracking because, you see, legally they are adults. If they desire to leave, they leave. That is a cause for concern as far as I am concerned because of the fact that we have already recognized that some of them are medically frail. Actually those who are most medically frail are least likely to leave. But some of them are dependent intellectually, are not, let's say, able to make a wise decision and we are concerned about that.

We are looking at that and that is part of the review that, as I say, I did not want to advertise, because I did not want to present it as opposition to the multi-year plan. I am in support of the multi-year plan. I am in support of people moving into the community.

Let me tell you about appropriate care. I know that some of these people are in fact very medically frail. They do require specialized care. Very often those people who have previously been working in the institutions move into these community living centres and are working with these people. They find themselves employed differently. As a matter of fact, they are not pushed to do that, are not coerced to do that, but when they move into the community centres, that becomes some of the conflict, some of the difficulty, some of the concern around staffing, because they compare the circumstances in their previous work situations to these. We know that.

### 1130

I also know that this is a great responsibility that I feel that the government must extend itself towards, and certainly it is discussion of that very fact that you mentioned. That is included in the review and it will be looked at. There is an advisory committee now established, which includes provincial groups, which is looking at the longitudinal quality of life, but you have asked very specifically that we go back and we trace people. I have asked, and I have very specifically the numbers that we have and where they are.

I do not know that we can find all those people. I know that many of them are being taken care of by APSW workers. I am not entirely sure where the others are. Certainly it is a topic for concern, but I want it framed within another frame, if you would, and that is not to be discussed as multi-year plans or not, but to be discussed as a way of improving and extending the government's assurance that the people who are moved out into the community are followed, are traced and are not at risk.

The Vice-Chair: Thank Madam Minister. Mr Hope.

Mr Sterling: Can I just-

The Vice-Chair: Well, I am sorry, Mr Sterling. We will have to come back to you. Mr Hope and then Ms Haslam.

Mr Hope: Currently, we have a major topic going across the province. This government introduced a bill that talked about rent control, and it seems like we got the opposition out there quite hot about the whole issue. There is a problem that most of our municipalities face with the problem of housing people. In my area we have a list of 400 people waiting for affordable accommodation. I see it as a factor that affects us in the welfare income-maintenance section of your ministry to make sure that, number one, people have an adequate roof over their head without escalated rental cost which has been diverted back to us. When we talk about high rental cost, we also take away in order for people to provide food on the table. They take away the moneys allocated towards food for shelter.

I am glad to see our government put forward some regulations to regulate rent review, but I think it is very important and I would like to know your comments on your whole issue of the Ministry of Community and Social Services' relationship with the new rent legislation.

Hon Mrs Akande: I think that as it provides relief for the people in the province who have been suffering under high shelter costs, it will in turn provide relief for the Ministry of Community and Social Services in terms of the funds we have been directing towards that. There is an increase. The cycle of that is ever-present. As rents go up, if there were not legislation to support their being somehow contained, we would be in a position where more and more of our welfare dollars would be eaten up by those shelter costs, so we are indeed in support of that legislation.

Mr Hope: It is too bad Mr Sterling has left, because I had one particular thing as he started talking about the centres. I have one in the neighbouring riding to mine. I wish he would have stuck around just for a bit longer because it is very important—

Mr Jackson: Point of order, Madam Chair-

Mr Hope: Oh, sorry about that. I apologize.

**Mr Jackson:** On a point of order, Madam Chair: The standing orders specifically prohibit references to absenteeism. I certainly see a few on your side of the table so let's just be mindful of the standing orders. Thank you.

Mr Hope: I made an apology. It was not meant to be in any way, shape or form—it is just that I understood his concerns. The issue I would like to bring forward deals with the Southwestern Regional Centre and its technology

dealing with helping people in communities in, number one, helping them turn their taps on. There is, I feel, a high volume of new technology to help those people who were indicated by Mr Sterling about their ability to function in a community. I think it would be worth while for your ministry to look at the research that is being done at this centre to provide more accessibility throughout the homes these people are living in. I think it would be most appropriate that we look very carefully at providing new technology in the homes to make it more adequate for people in those centres to have access to the communities.

Hon Mrs Akande: Of course, we have been using some of that, you know that, from the newer centres where you move. Very often when there is a home that is specifically designed for people who have disabilities, who are moving out of centres or who are living in the community, that high technology is incorporated to whatever extent the finances will allow. However, when you are looking at changing centres that are there and areas that are there and making it possible for people to move, you also look relative to what are the needs of the particular client.

Ms Haslam: I would like to get back to municipalities. We talked about the children's aid societies coming to the municipalities for extra money. We know that they are facing high increases in cost for welfare benefits for general welfare assistance, and municipalities also have these costs. The 1990-91 estimates maybe do not recognize the anticipated cost increases, and I want to know how the minister is going to respond to the municipal administration cost when it deals with these issues.

Hon Mrs Akande: One of the things that we have done is that we provided an additional \$9 million in November to assist with the cost of administering the higher case loads, and you recall, of course, that we did make that takeup, but there are downsides as well as advantages, disadvantages to that.

The advantage is that it makes those things accessible to the people we are trying to help, and there is less resistance or—I hate to call it stall—less lag time in terms of municipal takeup for whatever initiatives we have because their cost is borne. The disadvantage is that it creates expectation. The municipalities then operate in a way where they expect that more of their costs should be picked up by the province, and such is not always possible because of our own financial limitations. Certainly that is a part of the discussions I have referred to that are going on, but at the same time we do recognize that it is an ever-growing problem.

Ms Haslam: I would like to go on to another topic that I mentioned before and that I have an interest in, and that is day care. In particular I am looking at day care positions where there are some people with different cultures who wish to make use of day cares, and they have different beliefs and different situations that they deal with in day care. I wonder, is there cross-cultural training going to come on? Are you dealing with this maybe interministerially, or what availability is there for cross-cultural training for day cares?

1140

Hon Mrs Akande: Certainly the colleges that provide training for day care have become more and more aware of the need for that within the province of Ontario, but not only the province of Ontario, and have been focusing a lot of their training towards the preparation of students in order to work in this particular setting. Actually in my previous life I did workshops for Ryerson and for some of the other colleges concerning this and multicultural day care. Our own ministry has produced a kit which is useful as a resource for child care centres to give them expertise, some help, some support, some material to deal with the multicultural environment.

It is an interesting topic that you raise, though, because you recognize that a great deal is done in our elementary schools to prepare teachers and to facilitate their dealing with the multicultural environment. Very little has been done up until this point, relatively recently, in terms of preparing day care staff. We are dealing with that same environment. Something as simple as even having dolls about of the variety of races and groups of those who are using the service was considered new.

The Vice-Chair: Mr. Hansen has a question too, if you wish to relinquish the floor. You have the floor at the moment.

Ms Haslam: How much time is there in my time?

The Vice-Chair: You have five minutes. Ms Haslam: Just because he is a friend.

Mr Hansen: Mine gets back into the rural setting. You talk about decentralization of governments, but what seems to be happening in our particular area is that some of the social services are becoming more centralized and are moving out of the community into a centralized area. Quite a few concerns are coming forward that this centralization, and not only that. The larger areas have interval and transition houses. Mentioning Smithville as one of the small towns that I look after, if there happens to be violence in the home, then the family is moved into, say, Welland or St Catharines, which is a big disruption in the lives of these children attending school, etc.

They are taken out of their family setting. Here we are talking about putting people into the community, and here on the other hand we are actually moving people out of the community. Is there any foresight into the future of more services within these small rural communities? What I see right now is that co-operative housing is starting to move in, so there is affordable housing in these small communities.

These small communities cover quite an area. The village of Smithville covers 200 square miles, so you have to see the distance that some of these people have to travel. I am looking at the Niagara area, which is supposed to be a populated area. I think this would be a concern also in the north, and in the native communities also I hear it coming across.

I would just like to hear from the minister on exactly where we are moving in this particular area. I know everything has been set up as it is. So far as I can see since the government has taken over we have got more into the community. I know it takes a long time to turn that ship

around a little bit, but for the people in the rural areas, can you see affordable day care and all these particular areas that people in the large urban areas already enjoy?

I hear quite a bit: "We don't have food banks. We have the churches." That is the food bank. That is all volunteer, I do not want to see that stop either, but I am talking of emergency need and I think we have to address some of these problems.

Hon Mrs Akande: I think I have said, and I will say again, that the services—I hope that within my term I will not have to say it too often because I hope it will change—the services throughout the province are very unevenly distributed, and some of them are community services that have sprung up through a community initiation and they exist where they do.

I know that when we are travelling through rural communities there is a large and a wide area where the services seem to be centred in a particular town or a particular area, and that of course is a big problem. You raise a very serious point when you say that very often with emergency shelter, children are disrupted. They have to leave their schools, leave their community at a time when in fact they require the support and familiarity that will allow them to see themselves through this terrible situation. They are in fact removed from that community and taken to some place where they will be physically safe, and obviously the need is there. The point is that there is a lot of discussion around this. Some of it is quite focused around, is it the woman and the child—usually the woman and the child—who should leave?

The other part of it is, why will municipalities not have emergency shelters within their own environs? Very often some of them reject the whole idea of having emergency shelters in those towns and make it necessary for them to be established outside, so that becomes an issue where in fact accessibility and proximity are real issues within the community. To move the community-initiated agencies may become difficult. For us, though, to see and to encourage through some kinds of incentives and our own development that community services exist in a way that is accessible to all people in all areas is a very real initiative and one that we have taken most seriously.

The Vice-Chair: I draw attention to the committee's information that we are given eight hours. We do not have to use the full eight hours if you do not wish, but if we want to be on time for Treasury at 4 o'clock this afternoon, I would suggest we go a few minutes past noon today because we are a little behind because of some late starts. Mrs McLeod

Mrs McLeod: We would like to move now to the area of long-term care and senior citizens, so it will be vote 802, item 4. Before doing that, I just want to follow through on my colleague's last question on food banks with a request for future information about the \$1 million that was allocated, what the takeup of that \$1 million has been, specifically who has taken advantage of the \$1 million and what programs it has been used for.

Hon Mrs Akande: The takeup has been quite good and I will give you the specifics of that, who and what, and what the programs are during this afternoon some time.

Mrs McLeod: I would appreciate that. That would be excellent. Thank you very much. If we could move then to the whole area of long-term care, I too am going to begin at least with one specific reference to the estimates book itself, the first line, in terms of the 11.6% increase for Homes for the Aged and Rest Homes Act. I am not sure whether or not that percentage increase allowed for any movement of funding from existing residential care beds to extended care beds.

**Hon Mrs Akande:** You are on page 47. There was a very small amount last year.

Mrs McLeod: Would you know the amount?

Ms Gibbons: Michael or Geoff might know the specific amount. My sense was that it was a small number of conversions last year and that the bulk of the cost increase has to do with other items.

Mrs McLeod: May I ask, and again it could be for future information if it is available, for some indication of the vacancies that exist provincially in residential care beds and the waiting lists that exist provincially for extended care beds? Again, I do not want to put the ministry to a lot of work gathering new information, but what is available so that we can get a sense of the very pressing need for extended care and the fact that we may not be adequately using existing residential beds for the purposes most needed?

That takes me to the second question: In the area of the commitment to long-term care reform, and I fully understand the consultative process that was under way, one of the very important aspects of the proposals was the initiative to move to multicare funding in residential settings and it speaks to the concern I have about waiting lists for extended care beds. I am wondering whether or not you are proposing to move in that direction and whether it is your belief that the 1992 date, I think it was January 1992, was the target for implementation of multiple-level funding.

1150

Hon Mrs Akande: Let me say first of all that it is our intention; there has been no redirection on that. We do intend to continue and focus on multicare funding. We have not changed our minds relative to that. I will say, though, that at this time I cannot confirm that that date will be the date we establish. Certainly we are attempting to move quickly enough to be able to implement this by that date, but I would not at this time—I want to be clear—be able to confirm that we will be able to achieve it.

Mrs McLeod: I do appreciate hearing your commitment, though, to continuing in the direction of establishing multicare funding. I think it is quite revolutionary in the way in which funding is provided for long-term care in residential settings. Can I understand that the commitment then is to provide multicare funding in either homes for the aged or nursing homes without any differentiation between the two?

Hon Mrs Akande: We do not at this time anticipate that there will be direct differentiation between the two, because as I say, we are very much focused on this area now in order to try to meet the timetables. But unless there is something new in our discussions which would cause us to change our minds, at this time we are on side with that.

Mr McGuinty: Minister, the previous government had committed \$2 billion to be extended over a six-year plan and I am wondering where you stand with respect to that. Do you intend to press your fellow cabinet members for an equivalent type of commitment in the future? And specifically with respect to the \$52 million which was used to initiate the program, I am concerned about how much of that money actually found its way into community hands. Perhaps in addition to that, have you considered any kind of cost-benefit analysis to find out exactly how well this program is working?

**Hon Mrs Akande:** How much of this money has found its way into community hands?

Ms Stewart: Barbara Stewart, director of financial planning and corporate analysis.

Of the \$52 million to which you refer that is related to long-term care reform, \$36 million was applicable to this ministry. The balance was applicable to the Ministry of Health for expenditures applying to the homemaking program and those sorts of programs. At this juncture, that \$36 million that is in this ministry is flowing out, particularly in expansions to the home support program and funding for communities in greatest need and a variety of projects related to the in-home service expansion area. So there were announcements made last summer and those funds are flowing out to projects at this time.

Mr McGuinty: With respect to the cost-benefit analysis then, are we doing anything to determine the savings realized by providing programs for the elderly and disabled in their own homes?

Hon Mrs Akande: Yes, we are. That is part of not only the discussions of this ministry but part of the responsibility of a person who we have employed to focus in on that particular issue as well as a few others that are under that study. It really is important to us to have a sense of what that cost-benefit would be in making decisions about this long-term care.

Mr McGuinty: Any kind of timetable established?

Hon Mrs Akande: Well, as I have said, we are trying to meet some of the timetable that obviously was previously established. There are problems with that, because now that we have entered into this study and moved towards consultation, there is going to be a lag in time. We are hoping and we are focusing on it so that the lag in time will not be great.

Mr Daigeler: Just to complete this, in a way, has this person arrived at any kind of figures yet and, if so, can those be shared with us, even if it is preliminary figures?

Hon Mrs Akande: Certainly it is preliminary. It is not the kind of thing that I would think would be fruitful to share at this time. Mr Daigeler: So we will have to wait. Did you want to follow this up?

Mrs McLeod: Go ahead.

Mr Daigeler: As part of the long-term care changes, the ministry I think further decentralized its whole office operation as a ministry. I think your ministry already is quite decentralized compared to some of the other ones. I am just wondering, what is the experience of the ministry in this regard? Your decision-making happens to a great extent at the district level, if I am not mistaken. While your ministry has always I think followed that approach, in the long-term care it is even more pronounced. How how are you yourself looking at this administrative approach? Is it working? What are the difficulties with it? What are the special advantages? I wonder whether you could comment on that.

Hon Mrs Akande: First of all, it really has not been totally implemented yet. You know, we do have 14 local community support service area offices that have been established and we did appoint those service managers on 12 September, which I had already noted to my staff is a significant date in that it is six days after the election, but we will not discuss it any further.

Ms Gibbons: Absolutely not.

Hon Mrs Akande: So there is a move towards that. But in terms of their total implementation, they cannot be totally effective and we cannot evaluate their effectiveness until long-term care is implemented. However, Michael Ennis is here and he may want to extend the information that I have given you in terms of our move towards decentralization in this area.

Mr Ennis: It is Michael Ennis, assistant deputy minister of community health and support services. As the minister mentioned, we do have 14 decentralized offices now established in various parts of the province. The managers are in place and they have gathered with them staff that will meet the management requirements of those offices. They are small offices and they are preparing to have staff from the existing ministry and community and social service structure join them in these offices. So then in fact they will be an integrated health and social service office management centre for long-term care.

As the minister mentioned, the managers and their staff at this point are working with identifying in the community the various issues, concerns, and they are awaiting the further direction of this government concerning the consultation and planning for reform.

Mrs McLeod: I would like to return to the home support programs and there are two items that I recognize. One is an almost \$15-million—somewhere between a \$14-million and a \$15-million—provision under home support services for the elderly, and the other on page 50 is a \$21-million increase in the integrated homemaker service, which would come very close to the figures you provided Mr McGuinty in the new allocations.

Can I ask whether or not the integrated homemaker program increase reflects an expansion of the program to additional communities, or just what has been achieved

with that increased budget?

Ms Gibbons: The integrated homemaker program has not in fact been expanded, and it had been our intention, had the long-term care initiative moved according to pace, that the new strategies would overtake the integrated homemaker program and become something quite different. As the minister has suggested, she and her colleagues are evaluating all of those seven strategies at the moment and will be shortly going to discuss with the public their particular sense of where they want to take it. There will be no further expansion in that area until those decisions are taken.

Mrs McLeod: The \$21 million then was really just to meet increased demand in communities that currently have an integrated homemakers program.

Ms Gibbons: That is right.

1200

**Mrs McLeod:** Has there been any attempt to cost the expansion of the integrated homemaker program provincewide?

Ms Gibbons: I am sorry?

**Mrs McLeod:** Has there been an attempt to anticipate the costs of expansion of that program province-wide?

Ms Gibbons: No, as I say, because it was anticipated that we would not be expanding the program as such but moving to a whole new strategic shaping of the system that would include things like a single-access organization and home support with a whole new sense of how they would provide assistance to families and to individuals as they age.

Mrs McLeod: We may come back to that. Do we have a few more minutes?

The Vice-Chair: One minute.

Mrs McLeod: One minute. Two other questions then I will simply table as a request for information because I am not sure if we will get back to them later. I am interested in capital renovation programs in homes for the aged, and I would be interested in a figure on how many requests have been made for renovations. I am particularly interested in the fact that I understand that there are a number of proposals taking up what are now four-bed units and converting them to two-bed units, and my concern arises from the fact that I am not sure whether or not those proposals are being put on hold while the whole direction of long-term care is being reviewed. So I would be interested in knowing how many proposals for renovation-conversion have been made, what the status is of those approvals, whether or not there are some which have been approved for funding but have not begun because of the funding not having been flowed. I will just table that.

The other question I would like to table is whether or not there is a figure that could be provided for the budgetary impact of increasing comfort allowances for residents in homes for the aged.

**The Vice-Chair:** Perhaps the staff could get those answers back to all the members of the committee. I am sure they are all interested in those questions. Is that agreeable?

Hon Mrs Akande: Sure.

Mr Jackson: I would like to follow up on those questions. On page 48, I am rather disappointed that we have minimal narrative explanation, and I understand why. I had stated earlier in my opening commentary about the quiet reduction in beds in this province for the aged, and of course I have statistics which talk to me, or talk to this committee, about available beds. What that means is that there is space but it does not necessarily mean there is someone in that bed. According to these statistics, it represents perhaps even a reduction of as few as 150 in some areas. The truth of the matter is that the beds that are currently being used, and therefore being paid for, are substantively lower, so my first question is a request for accurate information about the numbers of beds that are actually being utilized and are therefore being funded in these categories.

I can tell you one institution in my region is deficient by 150 vacant spaces. They are sitting there not being utilized. So I mean, the entire provincial stat here in one institution is even larger, that I am aware of. Could staff give us the accurate figures of those that are currently being funded and at what level?

Ms Gibbons: I think that question has already been asked, and we will undertake to get back to you with that unless Michael or Geoff can say something on that at the moment.

Mr Quirt: I am Geoffrey Quirt and I am the director of the residential services branch.

I think the member's question related to the number of homes for the aged beds currently in operation. That number, which is subject to confirmation today, is 28,451. In 1986-87 there were 28,848 beds in operation. The member is quite right in suggesting that a number of those beds are currently vacant. Our estimation and the estimation of the Ontario Association of Homes for the Aged would be that approximately 1,100 of those beds are vacant.

Those are residential care beds and they are vacant primarily for two reasons. Usually the vacant beds are in unattractive ward accommodation and our funding arrangement for residential care requires the operator to charge a substantial amount often for residential care services in the home. The combination of those two factors often make other options, like living at home with supports or taking a private sector rest and retirement home option, more attractive than a residential care bed in ward accommodation in homes for the aged.

Mr Jackson: Thank you. I am pleased that we are more forthcoming with the actual numbers for the record. As the auditor has suggested in the past, I hope that in next year's estimates greater information will be treated in this section. I know the auditor has generally recommended that the estimates books, relative to other jurisdictions in this country, could be improved. I am simply suggesting that for next year's estimates, that is a suggested improvement to help us with our questions.

My next question has to do with the concern about the integrated homemaker expansion. I guess I may have heard the deputy correctly when she said that no further expansion is planned for next year, and I sense from that

that it is a policy decision in the framework of the longterm care, the one-window access, all of that, which I am familiar with. What concerns me is the integrated homemaker program is so highly taxed in only 18 jurisdictions in this province, so we are hearing there is no expansion.

For the record, it was an election promise of the NDP to spend some \$62 million over two years, and it would appear that that entire election promise is being dropped in terms of expansion. That is going to create all sorts of problems in the field, and I wonder to what extent you are doing priority-setting with this envelope. We are now on to an envelope system, and the minister knows what an envelope system is. I am not fond of them, but you and I both know what they are.

I have concerns that in the pilot areas where you are operating a program, we are now putting this to an envelope system and we may be expanding the definition. Groups may be getting home care dollars for information lines and all sorts of other interesting and neat things, but where is the priority-setting within, now that we have established these limited dollars, to ensure that these moneys go to ensure that people are staying in their homes and are getting the badly needed services?

Hon Mrs Akande: First of all, I want to clear up perhaps a misunderstanding, where you say there is no increase. What I would like you to understand is that there is no increase in the number of sites, but there may be expansion in terms of the service within those particular sites.

Mr Jackson: Say "dollars," and I will feel more comfortable.

Hon Mrs Akande: Certainly dollars in relation to an increase within those particular sites, so that there may be greater takeup there, but there is no increase in the number of actual sites that will be moved along.

The reasoning behind all of that is that we are hoping and intending—I like it much better than hoping—to come in with long-term care on time and be able to move this agenda along, so our hope would be that we would not want to expand the integrated homemaker program to do a job that will be done by another program that we are bringing on side.

Mr Jackson: I have been contacted extensively by the Victoria Order of Nurses and the Red Cross and other support groups providing this service, and they are expressing concern that there are parallel programs that require your ministry's commitment and the Ministry of Housing's commitment and that we are seeing examples of those housing programs being cut by your government, but they are part of, as Mr Hope has indicated, the whole picture. They have to be able to afford to be in the home in order to get home support, so they are not put in an institution.

I have referenced two programs. One is the Phoenix Place program in Hamilton, which is a current application before your government and your ministry and the Ministry of Housing. We are not getting positive signals at all from either ministry in terms of victims of violence. The other is the program in the Hamilton district office that I am most familiar with, which is the home sharing program

for which the delivery agency is the VON. They are getting signals with their application that this program may not be renewed by the Ministry of Housing.

You are affected in a small way with the financial commitment, but it stems from the holistic view that you have to be able to be in a home so you can avoid going to an institution, and Housing is involved. I have written you personally and the Minister of Housing letters about those programs. Could you comment on how you are working with the Minister of Housing in those specific program areas so that that ministry is not compromising your objectives because it is is putting out other brush fires?

1210

Hon Mrs Akande: Actually the Minister of Housing and I and our staff have been in consultation around many of these homes. You know of course that supportive housing, if we are going to move generally into that discussion, is an initiative that both ministries have supported. We have picked up other housing; certainly the Rupert Hotel housing initiative was one that we supported. How our ministry is involved is through the costing of services, the operating grants funding for those particular services, and we do discuss the initiatives. We do have to discuss them in order to be sure that we are both on side with these proposals in order to move them forward. There are times in all discussions where there is not total agreement, and when that occurs, there is some compromise.

Mr Jackson: Minister, I presume that you consult; that if you ask for an application, you are going to get clarification and consult.

Hon Mrs Akande: Yes.

Mr Jackson: You are stating the obvious. For the two programs I have identified, the problem is that the Ministry of Housing is saying no and this is compromising in a more evasive way the overall health and security of some of these seniors who are involved in the program. I want to know what specific pressures you are bringing to bear to ensure that the linkages are working, not to have the Minister of Housing say, "There is no more money and we have to tell the groups everything has collapsed on that side and we are not going to finish." I am talking about programs that are in jeopardy, that have already been told that they are going to be shut down. I am not talking theory here. I have got applications where ministry staff have said: "There is no money. We are shutting down the program."

Hon Mrs Akande: If in fact if you are talking specifically about those programs, I would have to review that specific information in order to give you a specific answer. I would be quite willing to do so if in fact that is what you request.

Mr Jackson: Not to say it for the third time, I have given you the name of the program, I have given the district office and I have given you the key elements. The deputy is nodding and acknowledging that she will look into it for me and she will get back to me.

Hon Mrs Akande: And not to say it for the second time, Mr Jackson, I have given you my response that we will give you that information and indeed we will.

Mr Jackson: I would like to— The Vice-Chair: Three minutes.

Mr Jackson: Three minutes. Comments were made earlier about training and I may reserve those until this afternoon. There were comments about food banks, and I hope we are going to get into a discussion a little more fully.

Mrs McLeod: It is up to you.

Hon Mrs Akande: It is up to you.

Mr Jackson: It is up to me. Okay. The other one was this concept of housing. If I have only got a few moments left, let me just simply state a few concerns I have. I understand that the government has developed a rent control program which is to stop any further increases. I am taking exception to some of the inferences that you made that you are in fact helping the poor, when in fact you are helping Comsoc. I was delighted that you understood that you are helping Comsoc, so you can divert fewer shelter subsidy dollars that can go into direct income. The fact is that rent control as is now prescribed even under the government's Bill 4—SARC specifically has made recommendations which say that rent control does not work. The Thom commission has said rent control does not work to help the poor.

It strikes me that you are not that concerned about my constituents who spend six months of the year in Florida because there is a cap on their rent. It strikes me that your mandate is clearly that if a woman is receiving \$1,200 or \$1,000 a month in support, if her rent is capped at \$800, it is still, by anybody's definition, unaffordable for her. So the solution lies in shelter supports. You are increasing your shelter supports at an alarming rate.

Given all of the evidence, the food bank report to the all-party committee, the Thom commission, SARC, the Association of Municipalities of Ontario, most of all the antipoverty groups, that a Bill 4 type of rent control structure does not help the poor, how can you suggest, Minister, that Bill 4 is a solution for the poor when in fact the comprehensive income maintenance and a shelter subsidy affordability component is the solution?

Hon Mrs Akande: Let me say, first of all, that your question is posed a little bit like, "When did you stop beating your wife?" You presume a premise that I do not share. I believe that rent control is of assistance in that it puts some kind of a stop on the kind of escalation that was very, very common during the time of the campaign, where people felt and realized it in the cheques they had to write, that the cost of housing was way beyond their means and most of their cheque, if not all of it, went into paying their shelter cost.

When I say that has been the kind of thing that has been brought to me again and again by people at the food banks and others as taking up so much of the rent and being the reason for people to move to emergency initiatives, then I really feel that our addressing the shelter costs by increases is made less necessary if in fact the escalation of rents is somehow controlled. If that continues to grow, there will be more people who will have to use funds to pay their shelter costs and therefore more and more of the social assistance support will go to that direction.

The Vice-Chair: Thank you, Minister. May I just point out to the committee that we will start again promptly at 2 o'clock in order to be on time to complete the total eight hours and for the Treasury to start at 4 o'clock this afternoon. We would appreciate, if possible, having a quorum at 2 o'clock, when we will start with the NDP.

The committee recessed at 1218.

## AFTERNOON SITTING

The committee resumed at 1403.

The Vice-Chair: Welcome to the afternoon and our last two hours for Community and Social Services. It is the turn of the government members of the committee for 15 minutes.

Mr Hansen: What has been the response, Minister, from the communities regarding your December \$1-million food bank announcement, something I was touching on earlier? In my community we looked at it. What other communities are on the \$1 million?

Hon Mrs Akande: In Kingston we have eight community kitchens for low-income families, in Niagara we have a community kitchen, in Hamilton we have FoodShare, and in Brantford we have a teaching homemaker program. There are other examples, but these are some examples of what types of programs out there have taken the funds, the \$1 million. They were given certain criteria they had to adhere to. We had to be sure it was a fund that would reduce the dependency on food banks and seek to eliminate that, and it had to be therefore used in a way that was not initiating or perpetuating a use of food banks, because we had said specifically that the funds were to be used to reduce the dependency on food banks. These are examples of some of the projects they have taken on.

Mr Hansen: So my earlier question on the rural communities—this is being spread out on all of Niagara, then, distributed?

Hon Mrs Akande: That is right. We had to depend, too, on interested parties who took up—you are talking about where the projects were—

Mr Hansen: Actually, the distribution of it.

Hon Mrs Akande: —who took up that challenge. We did not go out and say, "Here, you take this \$1 million." You remember there was considerable controversy at the time, because some of the food banks were saying, "We don't want the government to supply any funds to food banks," and others were saying, "We need some emergency money." So we had to be fairly sensitive to the fact that we could not go out and deliberately offer to individual food bank areas. We had to wait until they came to us, and that is what came to us.

Ms Haeck: I am very much interested in programs in the native area. Could you please let me know what the Ministry of Community and Social Services is doing to address the needs of native children in the province?

Hon Mrs Akande: I think it is important that we say this from the beginning, that there are three children's aid centres that are directly run by the native community. They do have to operate under the Child and Family Services Act, but nevertheless they are administered by that particular community. There is another community we are also looking at in terms of taking over the running of its own CAS centre. The three centres I referred to are run very much like ours. There is an attempt to assume some particular style or model that relates more to the way native Canadians would want to take care of their children. Certainly it

is within the goals of this government that the natives assume a greater governance relative not only to the children's centres but to all of the issues of the social services.

The other thing I wanted to stress is that in the project that was announced, I guess it would be about two weeks ago now, Better Beginnings, Better Futures, there were two native Canadian centres that were sponsored and doing a project around that. That project, if you recall, was specifically focused on the integration of services for children. So there is quite an active part, and we are constantly in discussion with these groups in order for them to assume more and more responsibility for their services, not only children's services but also-not because we are not willing to assume that responsibility but because there is definitely a feeling they have that it makes a difference if they serve their own. It makes a difference not only in the way they provide the service, but also there is a whole question of credibility because they themselves do provide that service.

Ms Haslam: Actually, I do a lot of research. We are spending a lot of money on the problems of children, and I am fully in support of that. I come from an educational background and I think that is very important. But we talked about this the other day: I think there is a continued stress on child protection and treatment services, not just a stress on the families but the stress it puts on the services we offer. We need to change this cycle and provide support before the children are referred. I know you talked about Better Beginnings, Better Futures, and that was part of the information we got, about getting them when they get into school or before they get into school, looking at day care and all of those things.

What I would like to know is maybe the direction your ministry is going in to prevent this situation and make sure we are getting to the families before they have to resort to these types of measures. Is there something ongoing that your ministry is looking at in that area?

1410

Hon Mrs Akande: Exactly two weeks after I was appointed to the ministry I met with the Minister of Education and the Minister of Health to talk about integrated services for children. I was a part of the advisory committee on children's services which was initiated by Mr Sweeney and later supervised by Mr Beer, and we had discussed at that time, and certainly I was a contributing member to, the philosophy that a better integration of children's services for all children would ensure that those children who after all did require exceptional services would be more likely to get services that would be more appropriately designed for their needs.

That meant we had to begin looking at redesigning the system with an interministerial base. The three of us met initially. That committee has, since that time, extended to include the Minister of Housing and the Minister of Tourism and Recreation and the minister responsible for francophone affairs. There is also a committee that operates or

works for that committee at the staff level, the ADM level, and its focus is, again, to redesign the services.

Let me talk to you about the revision we have for the services. First of all, I have said they would be integrated in that they would not be allocated in relation to any particular ministry and categorized in that way—health or education or recreation. All of us who know anything about children know they require a continuum of support, and because their problems are not lockstep. The certain thing about it is that they would be community-based in that the community would be involved in the design of the services and identifying what is necessary in seeing how it would like the services to operate. That is especially significant in that it means the services would look different in different parts of the province. What would be appropriate for a group here in the city might not be the same thing that is designed for some other group up north.

That is not to say it would be entirely left up to the community. There would be ministry input, there would be guidance, there would be a basic set of services that every centre must have, but nevertheless it would allow for their involvement in the design and in the responsiveness and how those services would operate. It would include not only child care but education and all of those services that are currently involved with children. The idea is to provide children with the kind of base which allows for their better achievements in the future and better development.

Mrs McLeod: We would like to turn to the area of children's services and continue have some questions in that area. First, looking at vote 802, item 5, which is child welfare services, I wanted to raise some issues related to children's aid societies. I believe the figure that is shown here, the 17.1% increase, includes the \$8 million in additional funding that was provided through the foster care system?

Ms Stewart: The previous year.

Ms McLeod: The previous year. I wanted to ask whether the additional funds going into the foster care system has made a difference in the recruitment and retention of foster parents, and to get some sense of the foster parent situation in relationship to the number of children coming into foster care.

Ms Gibbons: I do not know the answer to that specifically, but coming through the door is Sue Herbert, and I will repeat the question for Sue Herbert. It is in relation to foster care, from Mrs McLeod, the moneys going into enriching the foster care system and whether that has made any difference in terms of the recruitment and retention of foster parents and whether there has been any change in the stability of children in that system.

Ms Herbert: I am Sue Herbert, the director of the operational co-ordination branch.

The foster care money that went in brought the average floor rate up to \$14 per day. The preliminary evaluation results are just coming in now. What it looks to be is that the funds have stabilized the system. We are not seeing the rapid reduction in the number of foster parents. We are not seeing a growth either, so we appear to be in some position of stabilization.

The other part of that initiative also is testing out the new models of foster care, seeing different ways of supporting foster parents besides just a rate increase. The first results are due, Phil, when? This spring will see the first evaluation results of also the models to see whether different kinds of models also increase recruitment and also stabilize the rate of reduction of foster parents.

Mrs McLeod: You have seen increases in the numbers of children coming into foster care even beyond what was predicted; I think a fairly small increase was predicted. Obviously, one of my concerns here is whether the recession also has an impact on children coming into foster care.

Ms Herbert: Into the care of CASs generally, not just into foster care but into the care of societies, the rate has remained relatively stable. We have just had the preliminary data in from the provincial association at the end of December, and it is still to be verified. It is probably a little too early to answer the specific question about the recession.

Mrs McLeod: I just have two other questions on children's aid societies specifically and then will yield to my colleague for another question.

I am not sure enough of the funding system for children's aid societies—I should probably have asked for briefing prior to coming into estimates on it—but I hear of great ranges in the funding for children's aid societies from one area of the province to the other; without being able to fully account for these figures or know whether they are actual, I hear ranges as large as from \$55 per capita in York region to as much as \$400 per capita in the Kenora region, and I understand the funding is allocated on a population basis. I wonder if you could comment on the funding nature without going into too great detail but also whether this range exists and why it would exist.

Ms Gibbons: I will ask Sue after I take a quick run at it.

My memory on this is that much of the variance across the province exists historically, and over the years we have been trying to address that by allocating new initiative money on a per-child basis. The inequities in the system, I think, will always exist in terms of the basis that agencies start from, but we try to deal with it in an ongoing way by making sure that as new moneys become available they get assigned in the areas where a deficit occurs.

You may or may not remember back to about 10 years ago, when we did some real serious attempts at trying to realign budgets from one society to another. That led to very serious strains and howls in the system. I think you will be aware that once you give, it is hard to take away, and sometimes the best way to address it, when you are allocating new moneys, is to to try and get some better balance in the system.

Ms Herbert: The only thing I would add is that when we are looking at unequal bases in the CASs I think the other piece we need to be looking at is what other funding for other children's services is going into a particular area. There will be variations in other support services for children that will impact on the amount of money that goes to a CAS for its services, to look at that larger picture of

funding, the funding envelope of children in a particular area

Mrs McLeod: So the funding envelope, if that is the appropriate term to use then, is a funding envelope for children's services in a region?

Ms Herbert: So that will have an impact on how much is going into a particular children's aid society. For example, in the north we may have children's aid societies which provide much broader services than just the protection service. So a mathematical number may not give you a picture of the full range of services they are providing for their community.

Mrs McLeod: Is there in fact, then, an objective set of criteria, as objective as it can be on which the funding envelopes for different regions would be determined.

Ms Herbert: As the deputy said, depending a large part on history then, one tries over time to reallocate with new initiative money, and so, for example, in the north we try to recognize the special needs of the north—the transportation, the geographic realities of serving the north—by providing it with a 5% increase higher than the other regions would get.

Ms Gibbons: If I can add, the minister has suggested that we are taking a very close look at children's services generally both within the ministry and across ministries to see if there is a more efficient way to manage that. One of the projects within that look has to do with the whole funding of the child welfare and children's system.

Hon Mrs Akande: That whole issue about funding and the number of deficits that are reported and the fact of the timing, of when the various budgets are necessary, is something I have become very involved in and very aware of because of the number of letters, submissions and requests that I have had to clear up this particular difficulty. So it is something that is under study.

Mrs McLeod: My last question in this area—and I recognize, Minister, that this is a situation you in fact inherited, but nevertheless it is one which continues to trouble all of us, I think, and I do want to raise it and ask for some comment—is the issue generally of children's aid society budgets and the fact that I understand there were at least 12 child welfare reviews that were done over the past year. I am told that in virtually every case those reviews led to a conclusion that there was underfunding of what are mandatory services that the agencies were providing, and yet there has not really been redress of the budget situation. I would like you to comment on that, clarify, correct, if you would, please.

Ms Gibbons: It is not my understanding that the child welfare reviews deal with mandatory services, but rather deal with support in the kind of clerical ancillary supports to staff—have I got that right?—that are part of the response through the exceptional circumstance review and deal with what we will call non-mandatory services.

Mrs McLeod: Could I ask, is there a little bit of an either/or here? Again, recognize that I am not absolutely clear on the way in which the funding envelopes would

work. But if the agency requires more and more of its budget for mandatory services, would that lead to a deficit on the support services side?

Ms Gibbons: The exceptional circumstance review process allows adjusting the agency's base budget in relation to the volume of service required in the mandatory area, in the child protection area. So when the society says, "We've had a tremendous increase of youngsters coming into care," that becomes part of an exceptional circumstance review. If they say, "In addition to the kids coming into care, we have some other kinds of non-mandatory services that we're providing," those are subject to a different review process. You would be right in saying that recently our response to that has been not to be able to fund as a budgetary limitation.

Mrs McLeod: But in all cases of exceptional services reviews, where those are found to be warranted, those funds are provided?

Ms Gibbons: Yes.

Ms Stewart: If I can just add to that, as an example in the current budget year, \$11 million was added to base budgets for the exceptional circumstance reviews related to the mandatory services.

Mr McGuinty: Minister, Joanne Campbell, as I am sure you are aware, conducted a review of safeguards in children's residential programs. One of the problems she felt needed to be addressed arose out of the split jurisdiction between your ministry and the Ministry of Correctional Services. Would you be in favour of supporting the notion that your ministry have sole responsibility for those programs?

Hon Mrs Akande: Our cabinet has directed that an interministerial committee be initiated in order to look at that whole subject of where the responsibility should be placed, whether it should be solely placed in the Ministry of Community and Social Services, or shared as it is now, or moved. So we are at present studying that whole issue.

Mr McGuinty: I wonder if that study will also be incorporating a more general study of the Child and Family Services Act. I think it has now been six years since its proclamation. Has that been reviewed generally?

Hon Mrs Akande: Well, there are areas of it that are reviewed. When you look at the fact that this government has promised self-governance to native Canadians and you recognize that as they provide CAS services they are going to be under the act, you realize that we have then of course had to open up that whole issue and review it in relation not only to that initiative, but also in relation to several other things which now appear to be in conflict.

Mr McGuinty: I wonder if I could ask as well then a bit of a branch from that. How widespread is the practice of double staffing at night now in Young Offenders Act agencies?

Hon Mrs Akande: I was not aware really that the practice was that widespread at all. I know that there are 130 new staff added to the system to improve security and to ensure that two awake staff are on duty at night. There are some recommendations which we must respond to. But

when you say double staffing, do you mean two staff or are you referring to it as an overlap, because—

Mr McGuinty: Two staff at the same time.

Hon Mrs Akande: —the two expressions are used in duplicate form. What we must do is what is recommended and that is what we do adhere to in the province.

**Mr McGuinty:** I guess in terms of a percentage of the YOA residences, how many right now are operating with double staffing?

Hon Mrs Akande: I would say that all are operating with double staff.

Mr McGuinty: At night. Hon Mrs Akande: Yes.

Mr Daigeler: Minister, about 10 days ago or so I received a letter from the president of the—I think it is called the Parent Finders group in Ottawa-Carleton. That is a group that is looking at adoption disclosure. She sent me quite a long letter actually. I had not been that familiar with this question before and I found it rather interesting. She had a lot of concerns. I would just like to hear from you about some of them.

To start out with, she said that there is quite a backlog in terms of requests that have been made for adoption disclosure. I would just like to hear from you or from your staff how we are doing now with managing that backlog. When the legislation was finally implemented, I think there was quite a rush to get information and I think we are still struggling with that information request load. So my first question would be, how are we doing with that backlog? Are we managing?

Hon Mrs Akande: I must tell you that there is a backlog and that we have increased staff in order to address it. It had extended as long as a year. It has now been reduced to as little as six months. It is not as good as we would like it to be, but as you yourself have pointed out, when that whole door was opened there was a flood of response and the staff has been increased in order to work in that area.

**Mr Daigeler:** You expect then that that will be further reduced? Six months is still pretty significant.

Hon Mrs Akande: A long time.

**Mr Daigeler:** So do you expect that to be reduced in the next little while still?

Hon Mrs Akande: It certainly would be our intention that it be reduced. If it continues to flow as it is now, the likelihood is that there will be a reduction. There will be a more steady flow of the number of requests rather than what has happened initially.

Mr Daigeler: Let me ask then a more general question.

The Vice-Chair: I think that is it, Mr Daigeler.

Mr Daigeler: That is it? The Vice-Chair: Sorry.

Mr Daigeler: I will get back next round.

The Vice-Chair: Yes.

Mr Daigeler: I have a few more.

Mr Jackson: If I could return to food banks, I thought the government had been asked some questions about how much of the \$1 million had been spent to date and how many applications were pending because, as I understand it, this fund lapses on 31 March. Can the deputy, if she has that available, give me those two figures? Failing that, can she get me the two figures?

Ms Gibbons: I do not have those two figures, Mr Jackson, but I can certainly get them to you.

1430

Mr Jackson: I have checked with a couple of area officers and I understand the uptake is not that strong. My only general comment would be that I do a lot of work with food banks, and my tracking of it is that we have to be careful not to imply that because someone has taken up the program, it means people are off the food banks. The cases that I am aware of are ones where they have been in a form of semi-collapse and other food banks have picked up their route, as it were, and that just as business consolidates in recessionary times we are finding that the voluntary sector with food banks is following suit.

In my own community of 121,000 people, we have four food bank distributions—formal, informal, some legally registered, some not. We envisage in the short term that this will have to be consolidated in the name of efficiency. I am sure the minister has been briefed or is aware that conceptually at least it would appear that we are reducing the number of food banks, but in fact we are doing what is a logical reaction to the marketplace.

I could give specific examples, but I think it is fair to just leave food banks for the moment, if I could move then to children's aid societies. I would like to know from the deputy if she can tell. You have put on the record the \$9 million in boost funding to the CASs. Can you tell me what your area offices have reported to you with respect to the accumulated deficits for CASs across the province? I have several I want to raise with you, but can you tell me—

Ms Gibbons: In specifics? Do you want specifics?

Mr Jackson: No. You know the quantum of CASs in this province. You know how many have reported to you. What is the total of their deficits, that have you been apprised of?

Ms Gibbons: I think the minister could respond to that.

Mr Jackson: That they are anticipating at this time, is a fair way of putting it.

Hon Mrs Akande: All right. In 1989, 22 CASs reported deficits totalling \$3.7 million and 23 reported surpluses totalling \$1.9 million.

Mr Jackson: Okay.

Hon Mrs Akande: That was as of 1989 and that is my current—

Mr Jackson: I would presume that you gave \$9 million recently because you understood the crisis today—

Hon Mrs Akande: That is right.

Mr Jackson: —not the crisis under the Liberals. I specifically asked if you were aware today of what the anticipated deficits were in the CASs. Another way of asking you the question is, when will your area offices report

to you? Do they report monthly on budget progresses and, if they do not, why not? But I am assuming they must. You were able to determine they needed \$9 million in October. What is the effect of that \$9 million, because I am still seeing deficits?

Ms Gibbons: Let me just separate two things, Cam. I think the \$9 million you are referring to may in fact be the dollars that we put into the children's aid societies to deal with the wage compensation issue.

Mr Jackson: Pay equity; okay, thank you.

Ms Gibbons: I think to the extent that the agencies were experiencing deficits as a result of salary problems, that would certainly help that particular issue. Whether I know at this moment what the deficits are for this year, as I explained to your colleague across the way, the process of arriving at an approved CAS budget is rather a cumbersome one.

Mr.Jackson: Yes.

Ms Gibbons: It is not unusual that one would be well into the next year before one signs off completely what the compensation or budget due to the agency actually is. I do not have a figure at the moment—Sue, you may have—that says this is what the deficit picture is looking like, but we, in a yearly kind of a way, protect some funds to deal, as I said earlier, with exceptional circumstances, so that we can help address some of the stresses that are experienced at the local level based on volume.

Mr Jackson: And what size is that budget?

Ms Gibbons: It is about \$9 million, Mr Jackson.

Ms Stewart: The amount for the current year, as we

Ms Stewart: The amount for the current year, as we mentioned before, related to last year's deficits or last year's exceptional circumstance reviews, had been \$11 million. At the moment we are just finalizing the material for the current year. In broad terms the numbers are at similar levels, but we have not finalized that package just yet.

Mr Jackson: Did the nine come out of the 11?

Ms Stewart: No, the nine-

Mr Jackson: The nine was new money?

**Ms Stewart:** The nine is in addition to, and it is actually to assist with the salary levels of staff in that system.

Ms Gibbons: It might be useful to let you know, Mr Jackson, that \$12 million has gone into the children's aid societies for native services, \$11 million for mandatory cases. That is the sort of exceptional circumstances.

Mr Jackson: I am familiar with that, Deputy, and I really have a series of questions, but I only have a limited amount of time left. The other two parties—

Ms Gibbons: We are trying to use it up for you.

Mr Jackson: I know you are trying to use it up for me, and be helpful to the other parties, okay? In that case, I wish on behalf of the Vice-Chair who is in the chair—she has presented me with a recent task force report from Peel region where they are one of the luckier regions. They only have a \$350,000 deficit, but they have a substantive report and I would like to give that to the minister for her

examination because of the circumstances in Peel region and the concerns that they have.

It is a Fair Share for Peel Task Force Report and it is only one of the many who are experiencing difficulties even with the adjustments for the, I call it, bump funding, but we understand that is the necessary pay equity moneys, and I appreciate the minister receiving that.

My second document that I want to share is with respect to the Simcoe County Children's Aid Society. The minister is aware that the pressures for pay equity have resulted in most social service agencies doing some program cutting in order to make that up, and it was that basis predominantly that has forced all of us to respond to the need for bump funding.

With that understanding, I can differentiate when there is a loss of program because moneys have to be diverted to salary, but when there is a ministry directive to withdraw service, I take that as rather serious. I have a letter here from the children's aid society of Simcoe which was presented to me by my colleague, Al McLean, from Simcoe East, and it specifically refers to the fact that children's protective services at home, prevention programs, are being cut by your ministry, and in fact that subsection 15(3) of the Child and Family Services Act specifically indicates that it is the mandate for children's aid societies to provide this type of programming.

I quote from the letter: "Staff at the corporate level of the ministry have recently taken an administrative decision not to provide funds to children's aid societies to offer this kind of service, even though the legislation requires it of us."

The letter goes on to suggest that: "Few issues with respect to our services to children have disturbed us to the degree that this one does. The action taken by ministry staff is an ill-conceived and poorly thought out attempt to reduce the number of dollars being made available for children's services in Ontario. It pays little or no attention to the potential consequences for the children we are required to serve."

Now, are you familiar, Deputy, with the concerns being raised by this children's aid society and others and can you enlighten this committee as to why the directive not to continue the child—I underscore the word "preventive" and it is in fact the entire emphasis that the government presented to the social development committee when we were studying the 10,000 children on waiting lists for children's mental health services in this province. Can you please reconcile the two positions taken by the government in this regard?

Ms Gibbons: I am afraid, Cam, that the information you have got before you, to the best of my knowledge, is completely inaccurate information, that somebody has misconstrued an attempt to clarify definitions of what falls within categories of services in the child welfare budgets and presumes some sort of nefarious plot to discontinue prevention.

Ms Herbert: I think that is it exactly. It was a definitional cleanup as part of our service planning process and there was never any intent to infer that we would not fund prevention services, but rather it was an attempt to be clear

about what kinds of services children's aid societies were providing.

1440

Mr Jackson: On the basis of a clarification, I understand that there is a shift from Better Beginnings, Better Futures, to look at the school and to look at a community-based grouping of supports, but I am stating the obvious to suggest that the minister had precious few dollars to be distributed among eight school boards; whereas children's aid societies, which are currently providing the service, are providing it across this province, in every corner of this province.

I am not disputing the concept that you may be shifting emphasis, but it is abundantly clear that a larger number of children who had access to the program in one delivery system are now being led to believe—and this letter goes on to explain that—that if the school boards are to take it up, when can Simcoe county be considered for some of those dollars in order to replace the program? I am not arguing with you. I am simply saying we are moving from one definition of who should deliver the service to another, and this in itself presents a loss of service, even though it can be described as more efficient, more co-ordinated, more collegial, more co-operative. You can throw all those tags on it; it is just less accessible.

Hon Mrs Akande: I am pleased on the one hand that they have anticipated our good results and accepted our vision and planned for it.

Mr Jackson: Read the letter.

Hon Mrs Akande: I must say, though, that they have been presumptuous in jumping from one boat to the other before the other is afloat. We have always been committed and we continue to be committed to making sure that those services which support children and which support people are in place. We make our changes while that is going on, and when of course we are ready to make the shift it will be done smoothly. If people anticipate that change before in fact we are ready for it, the fault must lie with them.

Mr Jackson: No, Minister, quite the contrary. I am afraid you are not listening to the points that are being raised. You have children's aid societies in deficit positions. They cannot fund—

**Hon Mrs Akande:** And we do share their mandatory service. Any time they come to us—

Mr Jackson: Excuse me, Minister. I am trying to explain the thesis here that we have established in the last two years that there were program deficiencies by virtue of the fact of pay equity issues. We now are moving into a period where we are seeing the ministry advising that it may not be part of your mandate. So they are basically sending signals to children's aid societies that, "These are the kinds of areas that you can cut," and you can believe that in the field that is what is being interpreted. So that is the areas which are being cut.

As you proceed to your first budget, you will experience what no minister enjoys experiencing, and that is, do you cut service, do you go on bended knee to the Treasurer

or do you just leave it alone and hope that the chips will fall where they may?

Ms Gibbons: It is important to know that this is a misunderstanding. The Ontario Association of Children's Aid Societies acknowledges that it is a misunderstanding and it is agreeing to help communicate the correction message to its member agencies.

**Mr Jackson:** I still ask you to respond to the concept of a deficit. Are you telling me you have an \$11-million emergency fund?

Ms Gibbons: It is not a deficit; it is an allowance that allows us to provide new resources when a society is experiencing volume increases that are beyond the expected.

Mr Jackson: So you have no plan for budget deficits, when we are hearing so many of them—you have no plan to deal with those.

Ms Gibbons: There is a 17% increase to the children's aid societies budget year over year and we have just outlined for you the other enrichments that are available to the societies. It is not surprising that somebody's forecast of a budget can cause alarm, but not all forecasts of a deficit actually actualize in a deficit.

Mr Jackson: I understand. That is my time.

Mr Hansen: Getting back to Mr Sterling's comments this morning on Rideau Regional Centre there, I have been involved with the developmentally handicapped for over 25 years and I dealt with it with closet cases where people were hidden at one time, and then we got into the point of starting a group home, which I felt was very good at that time, and then getting into the public school system on the education of the developmentally handicapped. I felt that all the way along we have developed in stages and then we get into the community living. And this was all to deinstitutionalize a lot of people who were in Orillia particularly, down in our area, and I felt that we were getting ahead.

But it does concern me a little bit about Mr Sterling's comments there, exactly where all these people are going. From Orillia they were going to the group home and from there to community living and then out into the community. My question is, Minister, what kinds of support and assistance are given to these developmentally handicapped who leave institutions? Those are my ideas and what I can see, but if you could give me a little more information on that.

Hon Mrs Akande: I am just telling you that the ministry seeks to provide or to support the services that are provided for these people. Now that is true, whether it is done through community living—I do not want to leave people with the impression that the only way that people can move from the large facilities to community living experience is through the Ontario Association for Community Living. They can be moving back to families. They can be moving out into the community to other than the Ontario Association for Community Living.

The government's focus is, are they moving into situations where they are going to have to have care, they are going to have services, whatever those services are that they require, and to what degree can they participate in that community? And to whatever degree they can, are there services and facilities out there that can engage them

in that way?

What happens is that the government has responsibility for, I believe, 90 days after they leave, but we often extend our responsibility much beyond that to try to ensure that the placement is appropriate, that there are some changes—if there are changes that need to be made, we are involved in making those changes, moving them to another placement if in fact the original placement is not suitable for whatever reasons, and sometimes assisting them to develop so that they move beyond that into group homes, depending on what their needs are and on what their level of dependency is.

There are adult protective service workers, who are workers who monitor their involvement. They are a type of more informal advocacy group. They do assist these

people in their daily living activities.

But because they are adults, if they are adults, and because some of them are more able than others, they may choose to leave. And when they leave centres, as I say, we do have APSW workers, and where they go and their needs often determine whether or not they are attached to an APSW worker. I am concerned with that attachment being formalized.

Mr Hansen: Okay. There was a friend of mine who was hurt in an industrial accident and he was able to go back and live with his family in the end. I can see your explanation on that, but these are concerns that I have had that people in the community, as Mr Sterling said, have fallen through the cracks. But I did not really see that in my community.

Hon Mrs Akande: Yes. Our focus is on providing them services, but there is a difference, and legally they are adults, so we try to extend services where they are necessary, where they are identified. But if in fact that it is not something that we have found or the person has lost connections—it happens relatively few times.

Ms Haeck: A situation that I know exists in my community and I have become aware of it at different times through the joys of being on the campaign trail: latchkey children. We all are concerned about the care or the attention that these children are getting, and one is always being caught betwixt and between the family and all the other things that are out there. What direction is the ministry going to address this group?

Hon Mrs Akande: Latchkey children are often of the age group that parents feel no longer requires child care, or at least especially if they have to strain in order to be able to afford child care. It is usually as the child gets a little older the parents say, "Well, fine. We can give them a key and they'll come home and they'll watch television until I get home two hours later." Of course, we all know the dangers in that. Even if we ignore the fact that under a certain age it is illegal—and we will not ignore it—there is a great danger in that.

1450

What the ministry has sought to do is establish relationships with education in terms of encouraging them to

initiate after-school care programs. I know the school from which I came had an after-school and a before-school care program where parents paid a minimal sum for child care for those children, so they were not in fact going off to the homes and really being at risk. So there is an initiative there. There is certainly some funding allocated for that.

Ms Haeck: How widespread is this initiative?

Hon Mrs Akande: Well, it is never as widespread as you would like, because certainly we try to encourage the development of these programs across the province, but between 1987 and 1990 the number of school-age children licensed care increased by 58%, from 11,400 to 19,400. They make up 50% of the children served, and that child care basis is also that after-school care and that includes that number.

Ms Haslam: Sticking with children, I know that you went to Ottawa—Commons committee on child poverty, I believe it was.

Hon Mrs Akande: Yes.

Ms Haslam: We have been talking today about a lot of different—and I keep coming back to children and coming back to poverty, because it is a theme that I feel is very important in the Ministry of Community and Social Services and I would like to make a mention here too that I believe poverty affects women. It is not just children but it is women and single-parent families and it is a concern of mine.

I would like to know whether you could give us a comprehensive view of this. You are talking about different programs to deal with poverty. Do you have some elements of a comprehensive attack on child poverty?

Hon Mrs Akande: One of the things I think that is desperately needed—and I will be heard to say this frequently—is a children's benefit. It would solve a lot of situations if in fact we could encourage the federal government to be responsible for that children's benefit. We recognize that the children's benefit is implemented by a province or assumed as this province's responsibility. It becomes a very attractive invitation for many who seek that kind of support for their own family. Certainly, it would alleviate the situations that occur in terms of child poverty today, but there are many fronts on which this must be fought.

I have to agree with you that very often a single-parent family is headed by a woman and it is a situation that has to be fought, not only by this ministry. If we are going to create work or create a climate in which work exists, we have to make sure that those are good jobs, not just low-paying service jobs. Certainly pay equity enters into that situation by evaluating jobs in a way which makes them better paid for women. But it is important that we create good and long-standing jobs, because as it is now, women who exist in the service sector are the first ones to go whenever there is a situation that requires cutbacks.

We have to reform the tax system to recognize the cost of raising children. Perhaps it is just my perception of it, but you people seem to understand that the costs of raising children certainly are not accounted for in the benefits that are given when people are paid the GST and are given the small sum of money. I do not know how they exist when that return is given them. I do not know if anyone has ever gone, you know, into stores and realized what the cost of raising children is, because it certainly is not reflected in the kinds of credits that they have for children.

We have to have situations that certainly emphasize income security, so that if we are talking about income security, we are talking not only about good-paying jobs but we are talking about those kinds of things which ensure that women are going to have their jobs. If in fact they are going to have maternity leave, it has to be extended in such a way that they are going to have support while they have it and then feel comfortable to return to jobs, rather than having a situation where a leave over a certain period means that in fact that their jobs would be lost.

And last and certainly not least, because I could go on and on and on and I know that is not the desired thing, child care is extremely important—good, affordable child care that focuses on a continuum of the parent's role, that begins or continues child development, rather than one that says, "We'll keep him from getting hurt and we'll keep him fed and you continue his child development when you get home."

Ms Haslam: I would like to just switch over to the child care and go a little further, and this is perhaps a question that your staff can answer. I came across a case where there was a young woman with rapidly advancing cancer and she needed day care for her young child and she would have to go on a six-month waiting list. Is there an emergency response situation that could deal with a case like this?

Hon Mrs Akande: The emergency response would most commonly come through our social assistance, but whether the child care response would be that immediate, I will turn that over to you.

Ms Gibbons: Yes, I would suspect that if there was—I do not know what municipality is involved.

Ms Haslam: My legislative assistant happened to do some reading and knows about cases and she said, "You know, that—" Is there an emergency situation, is there an emergency response?

Ms Gibbons: Most municipalities have their own way of assigning subsidies to individuals, but I have some confidence that were the municipality involved to be made aware that this is sort of a life-and-death situation, that accommodation could be made through the area office, either through the municipality or through one of the non-profit organizations. But it would be important that you let us know who the particular individual is, so that we can see if we can help.

Mr Jackson: And home support. Ms Gibbons: And home support.

Mr Daigeler: Now that I am back in the rotation, I would like to continue with that earlier question that I had regarding adoption disclosure, and I can understand that you cannot remember all the questions. Adoption disclosure, we are back to that.

The president of the Parent Finders group in Ottawa who wrote to me complained bitterly about the process that is in place. Even though there have been changes made, she was not satisfied, I think, with these changes and would like to go further. In particular, she is requesting that adoptees can see their original birth certificate. Perhaps that is sort of the ultimate request, I guess.

I am wondering your own view and your government's view on this whole question of adoption disclosure. Are you planning to move further in opening up the process or are you satisfied that with the legislation we are basically where we can be, or is this not a priority for you?

Hon Mrs Akande: Let me tell you frankly that I was not aware that, other than the backup, the waiting list in terms of people having their cases looked at with adoption disclosure, there was a real problem about this. There is nothing that I have received in terms of letters or phone calls or concerns that speak to people being discontented with the process that is in place now. So as of now I had no real concern about it so that I would be interested in hearing further.

### 1500

Mr Daigeler: I certainly will share a copy of the three-page letter that the presidents—I was not that familiar either, but I am sure the government must have received representation from different groups that represent adoptees in this province. I am sure they would have been lobbying the government before. Perhaps your deputy minister might want to respond to that, where in fact the previous government was with that.

Ms Gibbons: We have processes in place that reflect the policy of the day around who can and cannot access information about their original parents. It is my sense that no matter what policy one enacts in this area, you are going to get some group not quite happy with it because it will feel either too exposed or underassisted. I would be pleased, as the minister would be, to receive the specific, to see if there is something that could be done around the specific, if it just reflects the service as opposed to a policy decision. It is my understanding that adoptees can access their birth certificates with the agreement of the original parent.

Mr Daigeler: They can access information as to who their birth parents were, but apparently they cannot get a copy of their original birth certificate. This is the letter that was sent to me and again I will be sharing with you a copy of that letter.

Hon Mrs Akande: I appreciate that.

Mr Daigeler: It addresses, I think, the general policy questions. What she is really asking for, and presumably you will be getting more letters like that, is a further opening up, a significant opening up of the adoption disclosure process.

Mrs McLeod: I would like to look again at the issue of children's mental health services. I am having a little bit of difficulty focusing it in terms of the estimates book because it seems to divide itself in a number of places between family and children, family intervention and child

treatment centres. I assume those two budget items include what we formally refer to as children's mental health centres, and the other budget item refers to family counselling agencies and a variety of other programs which essentially are providing similar services.

Ms Gibbons: Child welfare and family intervention.

Mrs McLeod: So it would be just as a request for a future budget, if you are looking at the way the estimates were presented. It will be helpful to find a way of being able to identify the range of services that are provided to children and families under those budget lines so we have some sense of how to focus our questions.

Let me ask specifically about the report that Craig Shields is doing, which we did reference in our social development committee. We are wondering whether or not that report is imminent and whether or not it will be dealing only with the waiting list for what you firmly designate as children's mental health centres and, therefore, treatment.

Ms Gibbons: Part of the process, Lyn, that we went into had as one of the conditions that the survey and the people contacted in the survey would have the opportunity to review the findings before the study was published. We are in the process now of having Craig take his analysis back to them to see if it fits with the input that he provided them. Once that is done, then the study can be available.

Mrs McLeod: And it will deal just with waiting lists for children's mental health centres, formally designated as such?

Ms Gibbons: My answer is it will deal with the issue of whether community agencies and area offices are satisfied with the processes locally for dealing with children at risk.

Mrs McLeod: That is much broader and would certainly address the concern I was wanting to raise. I have absolutely no need to challenge the differential figures that go into child and family intervention services and child treatment services—I suspect that both could use considerably more resources—other than to just recognize that—I believe our social development committee suggested that there was a tremendous need still to be addressed in both of those areas.

Certainly, we are familiar with the waiting list in the children's mental health centres, but I think, if other communities are similar to mine, that, for example, the number of families dealing with sexual abuse cases within the famility coming to family counselling centres and the availability of trained staff to deal with it all are continuing concerns. Other than to look forward to a report as broad as it sounds as if Craig Shields will do, I will not pursue that area further today.

Another question on page 77 in relationship to young offenders' services: There may be a very clear explanation for this that I should be familiar with and am not, but I was struck, under the total days of care, by the almost continuous increase, except for 1987 to 1988, in the numbers of days of care in both open custody and secure custody. I am wondering whether there can be some explanation given for that.

Ms Gibbons: My explanation would be two things. The new Young Offenders Act is having a progressive impact on the decision-making at the court level. We have seen an ongoing rise in the number of youngsters being admitted to open and secure detention and custody and have just recently tried to access some funds to help us beef up that system. We also anticipate that, as a result of the Askov decision, we may see even more coming into the system.

If one were to ask the question, "Why do you think the judges are doing that?" it would be my guess that it is in response to fears expressed at the community level about violence and increased delinquent behaviour and that judges are reacting to that as a phenomenon and trying to balance the protection of the community with the care and treatment of the child.

Mrs McLeod: Does the ministry track recidivism rates for young offenders? Do you have a sense of how many young people come back into care on a repeated basis?

Ms Gibbons: We do track that. I do not have that figure right with me, but I can certainly get to you, Lyn, with what our recent experience is of that, unless, Sue, you know at the moment. Do you know?

Ms Herbert: No, I do not know at the moment. At this point, we are matching our side. I am Sue Herbert, director of operational co-ordination. Lyn, we have the figures for recidivism within our own system, within the Child and Family Services Act and the Young Offenders Act, and we are trying to match those figures with the figures of the Ministry of Correctional Services for children who may be recidivist, into phase 2 of the Young Offenders Act. We are matching those figures and we can get you what we have at this point in time.

Mrs McLeod: That would be of great interest. I am not sure whether another figure might be available in terms of numbers of days of care—because the figure that is here is total days of care in the system—whether the average number of days of care for a particular individual is changing.

Ms Gibbons: Grouping of children.

Mrs McLeod: If I could just leave one other question before I yield the floor, on the capital side again—and I would like to keep returning to capital budgets—on the children's services side on page 62, is it possible to provide us with some information as to the numbers of projects that are waiting and the cost of proposals? I ask this with some hesitation again. I am really just looking to try to get a sense of the buildup of need in the system.

Ms Gibbons: So you are looking for the number of proposals that might be on the capital plan in the five-year sense?

Mrs McLeod: Yes, with children's services and, if it is possible, the approximate cost of those proposals. At some point I would be interested in knowing how the costs are controlled on capital.

Ms Gibbons: Yes, we can get that.

Hon Mrs Akande: We will get back to you with that.

Mr McGuinty: Minister, I want to have you address the foster parent program. Based on the limited reading I have done, so I cannot pretend that this is an intelligent opinion, but based on that limited reading, it seems to me that the viability of that program is at risk. It also appears that the thinkers in this field are arguing that the foster parent program is no longer or ought to no longer be considered an integral part of the child care service program in particular, because of a change in demographics. We are dealing with more and more families where both parents are working. Given the relatively low rates that are paid, do you intend to encourage the program, to foster the foster parent program in any way and, if so, how?

Hon Mrs Akande: Really, it is an interesting point that you have raised about the program no longer being viable, because one of the things that I questioned on my arrival, on going through the multitude of briefings, was why we still have this. The question always comes down to the needs of children that we do not seem to be able to address in the particular cases in any other way. Certainly it is a piece of what we are looking at in the total picture, how that program might be better, how those children might be better served. As it sits right now, it is there and it is being studied and I have questions about it too.

Mrs McLeod: Are we going right till 4 o'clock?

The Vice-Chair: Yes. What we are down to, in order that it is equal, is 18 minutes each and you started at 3 o'clock.

Mrs McLeod: So we are continuing and this will be our last rotation.

The Vice-Chair: That is right.

Mrs McLeod: I had it figured out that we had another rotation so I am glad that I checked with you to try to prioritize our questions then within the next five minutes. We will move from children's services and try and table with you a number of other questions in other areas.

One thing is the area of developmental services, coming back to the question of community support for those who are being moved out of institutions as well as for those who are already in the community. I do feel, because this becomes part of the record, that it is important for one of us to say in response to some of the comments made by Mr Sterling that, if you pursue the question of what happens with those who have moved from institutions into community-based settings where the support provided is good support, the behavioural changes in the individuals are really quite remarkable.

I think that we must never be limited in our sense of what an individual can achieve, provided that support is given. That has always been our position in raising this issue with you even during the period of the hold, that we would not back away from the commitment to moving people into a supported community setting, but we agreed that there needs to be adequate community support.

With that in mind and without using any more of my time, I have a question that I would like to have addressed now or at a future point. It is very difficult for me to sort out from the two areas of the budget where they seem to be addressed the financial support that is given for sheltered workshops and what I suppose might loosely be called a support to employment or support of living program

delivered in a non-sheltered workshop setting. I would be interested in being able to get a breakdown of that figure and some sense of whether there is a growth in the non-sheltered workshop side. Perhaps on a future occasion we could discuss the the future role of sheltered workshops and whether they are seen as being still the preferred supportive setting for people.

Hon Mrs Akande: I believe Ms Stewart can certainly give you the actual breakdown right now.

Ms Stewart: On page 93 there is an attempt to break down the specific support for sheltered workshops as opposed to things like the life skills types of programs that will assist people with daily living skills, protective services the minister mentioned previously, the kind of APSW support and other supportive services. You will note the growth in expenditures in those areas. A number of the larger increases in both the sheltered workshop areas and the supportive service areas relate to a combination of the multi-year plan, additional services to people in the community, and as well, some additional funding to raise the salaries of the workers in the supportive areas.

Mrs McLeod: I appreciate that and I guess the specific line that I was missing was the actual support to employment in the non-sheltered workshop as a separate line. I realize that would not be the way the budget is structured, but it was difficult to isolate that and make that comparison.

Since you are on page 93, in the support services line, does that include special services at home that are provided? I understand that program was extended, I know not necessarily financially, but in terms of the number of people covered and I understand that there was concern about funding of the program even before the expansion. There is not time to respond fully, but I would want to raise concerns about issues of family cost-sharing, whether that had increased, whether the hours are being restricted and whether the waiting list for special services at home programs are building.

**Hon Mrs Akande:** Do you want to give me those questions?

Mrs McLeod: I will. Thank you very much.

I think I have time to get one more question at least on the table. Totally unrelated to this specific area, I would be interested in knowing what the constraint was that the ministry was asked to absorb in this past budget year and where we would see that constraint absorbed.

**Ms Gibbons:** The constraint in the past budget year? **Mrs McLeod:** In 1991.

Ms Gibbons: I will do this from the top of my head, Barbara, and you can get the right page. The constraint that we have undertaken this year was in the order of \$100 million. It was taken in three different ways. First of all, we tried to look at the programs that we were initiating in the year, to make a projection about startup dates and on the basis of the startup dates offer some cash flow up towards the constraints. So, in that process, we did not eat into the funds available year after year. In other areas we undertook some actual program cuts, and in a third area we

looked at some strategies to increase our revenue from the federal government. In its ballpark sense, we have roughly delays in the \$40 million annualized; in the program reductions, \$34 million, and in the revenue generating, \$21 million.

Mrs McLeod: Thank you very much. I think that expends our time, Madam Chairman.

The Vice-Chair: You have a minute, but we will-

Mrs McLeod: Do we really?

The Vice-Chair: Yes, we are very precise.

Mr Jackson: Which means you have 45 seconds left.

Mrs McLeod: Having prioritized my questions, I was going to leave the one that I thought was almost impossible to answer. It may in fact be impossible to answer and may necessitate a more thorough briefing at another time. But I want to come back to the issue of the regional allocations, the envelope approach that our colleague Mr Jackson has raised, and the extent to which this results in very different program priorities in different regions, how discretionary that is in the regions.

If I could relate it back specifically to the children's aid society question, if there is that range historically of difference in the per capita funding for child welfare, does that mean that that particular region or area is having to cut back on children's services in some other area of children's

service delivery?

Hon Mrs Akande: But the fact that the mandatory areas will be picked up and that we will be providing funds there, it has to be said because of the confusion that seemed to arise previously that that is not an area where we expect or encourage any cuts at all. So that, you know, has to be clarified. But certainly the re-establishment of priorities in terms of those—I am aware of it because, as I say, it has become such an important problem now that we are looking at ways in which it might be alleviated.

Mrs McLeod: I would hope that the way in which the funding is provided does not force areas into choosing between meeting their costs of child welfare or providing adolescent crisis intervention, just as an example.

Hon Mrs Akande: No.

Mr Jackson: Maybe I can build a bit on that. First of all, I want to thank Mrs McLeod for asking her second final question. It was the one I always finish my estimates on, but thank you for getting the question on the record.

Earlier today the deputy referred to the \$56 million allocated for long-term care initiatives and \$30 million was Comsoc, the balance Health. We may have been left with the impression that this is \$30 million that is all going into program and there was a specific reference by the minister. I really would like to know how much of that is for startup, paying for their rent and buying desks and computers and salaries of all of the staff. I have had occasion to meet with some of those people to discuss that. I am trying to just differentiate between what are new moneys that will find their way into program and those that are associated with startup.

Ms Gibbons: It is all new money, but it is not unusual that new money would go in the first round to facilitate

some startup costs, and it would be annualized later into the ongoing budget of the organization.

1520

Mr Jackson: Okay. I know we have the Lightman commission, a one-man commission, looking at issues of advocacy. The minister would be aware that nursing homes have a bill of rights. During the minority government, when all three political parties were on an equal footing, we did major amendments to the Nursing Homes Act. At that time I tabled a resolution that would have extended the bill of rights to homes for the aged. At the time the NDP and the Liberals voted against my recommendations to extend that. I wonder if the minister would be able to put on record if she would support a similar type of bill of rights for long-term care citizens in provincial institutions.

Hon Mrs Akande: At this point, what I see as advocacy initiatives certainly seem to take care of that particular aspect. Before I would be able to judge that, certainly I would think we would have to have the experience of our advocacy office; in turn, I would think the monitoring procedures of the ministry itself would meet with the advocacy and ensure that any other process or bill might not be necessary. I have not seen the bill, though. I must say I have not seen it.

Mr Jackson: I know. I am trying to establish the notion that, if it is a matter of chance that a frail elderly ends up in a nursing home over a home for the aged, it strikes me as odd in Ontario today to have a bill of rights protecting them should Martha be put in a nursing home instead of the fact that Mary went into a home for the aged. You are familiar not only with my point but also the two very famous ladies.

Interjection: The Bible.

Mr Jackson: I know the deputy is. If I could proceed. Minister, in your opening statements you referenced the \$700-million anti-inflation new moneys the Treasurer announced and your Premier announced in the throne speech. I guess I am fascinated by the growing list of ministers who have a piece of this action. Could you be specific, or could the deputy tell us just how much of the \$700 million the Treasurer is allowing you to work with?

Hon Mrs Akande: I do not think that figure has been passed.  $\cdot$ 

Ms Gibbons: That figure has not been finalized yet, and I anticipate we will hear about that shortly.

Mr Jackson: That explains why there are so many ministers who all have a piece of it.

Ms Gibbons: Yes.

Mr Jackson: The next part of my question, then, was that in your statement you made specific reference to types of projects. I want to ask you at what stage are you examining projects if you are not aware of how much money you have to play with?

Hon Mrs Akande: We do have a sense of how much we have to play with. I am not at liberty at this point to announce it to you. It is a certain sum and growing and it will continue to grow as long as I can lobby for growth—

Mr Jackson: All right. I am sorry, but you have answered my question. If I can proceed, because I only have a few moments left.

I want to be very specific about those projects that have been budgeted for by a previous government that can quickly move into a category and be used as something new. I will give you a case in point. When the oppressive greater Toronto area tax was put on in the community of Burlington, we were told that these extra taxes my citizens were paying were going to go towards growth-related projects. We had a major highway project which was approved by the Liberals, announced by the Liberals and then got cancelled. It resurfaced a year later under the guise of, "Well, we have this new program, new taxes."

What I am really getting to, the point was that I do not wish to see projects such as the Halton Centennial Manor redevelopment plan, which has the ministry approval but has not received its money—I would hate to think, in its worst cynical approach, that somehow these projects would resurface and be recategorized as some sort of inflation-fighter package from that Mighty Mouse of men, our Treasurer. Could I ask what assurances we have that we are not going to be playing that game, even though we know previous other governments have played the game?

Hon Mrs Akande: What you do know is that if the ministry had not sufficient funds to fund programs that had ministry approval at a prior date, now that we have money we are committed to funding those programs. I would expect, Mr Jackson, that your interest in seeing that Burlington has the facilities it requires would supersede your interest in where the money came from.

Mr Jackson: Actually, if you wish to reference Burlington—I am talking about Halton Centre—I am presuming you are not going to fund us our Burlington location. We have lost 200 beds in Halton region. I do not want you to redefine something the Liberals promised us three years ago; the fire marshall and everybody else has told us those people are living at risk and in contravention of the laws of this province and they have been for the last four years. I just do not want that to resurface, that is all.

Hon Mrs Akande: As it was promised three years ago, perhaps the deputy, who was there at least two years ago—

Ms Gibbons: I think, without equivocation, the money associated with the \$700 million is new money. It would be possible for Centennial Manor, whichever one it is, to be moved over to the \$700 million, but that would only free up money that would then allow us to address another project on our capital list; and we would only move it over if it fit within the criteria, so you had to get it done within the year. If we can find a way to expand our budget by using the \$700 million, that will happen, but this is incremental money.

Mr Jackson: My grandfather taught me that trick, but he used half shells and a pea.

Ms Gibbons: He was probably in show business, not a bureaucrat.

Mr Jackson: The very best showmen become bureaucrats, you know that. My next question has to do with an

item I raised in my preamble, and that was the gap in the speech and language therapy for three- to five-year-olds. I referenced that in my statement; I am sure, deputy, you are aware of it. In 1987 Minister Sweeney acknowledged that there was a gap and he was looking into it. In 1988 then Assistant Deputy Mendelson stated he was looking into the issue. In 1989 ADM Ennis stated it was under review. In 1990 we were told, "We're still looking at it." Meanwhile, the children and the families I talk to in the Down syndrome association and the Ontario Association for Community Living are still asking: "Where does this government stand? We want to know what names we should be putting in, the groups who are still studying it."

Hon Mrs Akande: This is one of those issues I have inherited. I must tell you briefly that I was on the other side of this fight a few months ago, and here I sit answering to the other side. There is a shortage of speech and language pathologists in Ontario and this has certainly contributed to the long waiting lists. It is a matter of who owns the problem. Is it Education's, is it Health's or is it ours? It is one of the indicators that we certainly do need an integrated system; it certainly speaks to that. Yes, we are trying to not study but now do something about the problem, that is, that in our discussions on that interministerial base we are deciding who will take responsibility until that interministerial base is in place.

**Mr Jackson:** My very short question, because I know Mrs Marland has a question in the remaining time we have—we are going to change places.

**Hon Mrs Akande:** This is the pea trick you were talking about.

Mr Jackson: Yes, something like that. Earlier there was reference to the additional staffing for security in institutions, and we do not wish to leave the impression that all residential facilities have access to this kind of funding to ensure staff levels for safety. In fact, we have had two women murdered in transition homes in this province in the last two years, one a staff member and one a resident, and they are not getting anywhere with respect to discussions for the staffing. The other example is the Krista Sepp example, because not all those institutions to which she was attached have received that funding. In fact, it was other institutions which Mr Sweeney announced. Can you please tell this committee what kind of priority you have put on this issue of team staffing to ensure safety in particular cases that are super-sensitive to violence, and I would include transition homes in that category, very clearly.

1530

Hon Mrs Akande: Certainly in the homes we have put a very top priority on it. You know the report has come out. When I was responding to your question, I am sorry, I did not mean to imply that it took into account all the homes, but I know it should and we have put a priority in terms of funding for that staffing so those kinds of crises will not happen again. It is a situation we responded to. Unfortunately, it was not responded to quickly enough, but certainly it is a priority and we are focusing on getting that double staffing in place in all of those situations.

Ms Gibbons: Just to correct the record, it is my understanding that this staff did in fact go to the facilities like the Krista Sepp facility.

The Chair: No, they did not.

Ms Gibbons: No? I thought they ran a young of-fender—

Ms Herbert: If the facility had over 50% of its children there through the young offender system, it received funding for double night staffing. So there would be some children's mental health centres which do not serve young offenders which would not receive double night staffing.

Hon Mrs Akande: But there is an instrument in place now, is there not, to predict or to attempt to predict those youths who are in fact high risk? In those particular cases, there would be double staff.

Ms Herbert: Yes.

Mrs Marland: Minister, this afternoon you have been presented with the report from the Fair Share for Peel task force entitled Redressing the Chronic Underfunding of Social Services for Children, Youth and Families in Peel. I am going to, in a moment, give you an example of one of those families. Having just received this report—it may even be in the mail at the office as well—I do not expect you to be able to answer this report, but I do want to place on the record the report. A concern in Peel—I know it is a widespread concern, and some of that has come out in the questions yesterday and today—is that in Peel the per capita allocation for children's services is less than \$94 and the average in Ontario is \$223.82, which is relevant, I think, in some of the questions of Mrs McLeod for the Liberal Party.

When you start to read what it is that this Fair Share for Peel task force is talking about, and bear in mind that the task force itself is made up of the Children's Aid Society, Family Services of Peel, Peel Children's Centre, the Social Planning Council of Peel and the United Way of Peel, you know that those are people who are totally committed and non-partisan and unbiased about the needs of the people they are serving. In fact, minister, all the MPPs in Peel are requesting a meeting with you to discuss this report on a non-partisan basis, because we are from all different parties.

I think it is important to recognize that what we are talking about in Peel is a waiting list of 160 children for residential and non-residential treatment services, and the wait is approximately 14 months. The other thing is that of those 160 children, 38% have extreme need, and even in the extreme need it is four to five months. What is very critical in Peel is that there are no crisis intervention services available at all, and the Peel Children's Centre itself has not been able to fully utilize its 28 residential treatment beds because of a serious staffing shortage. Here is a situation where we have the beds and we cannot even use them.

It would be wonderfully refreshing if your government could develop a formula where there is a recognition for inner-city core problems in a high-growth area like Peel. Peel is over 800,000 people. Its growth rate per year is more than the average small town in Peel. We grow more than 20,000 people a year in Peel in population. We do not

have any recognition for the intensity of that growth and the truly inner-city core problems which are in old, established inner-city situations such as in Metropolitan Toronto.

The one example I wanted to give you is about a young person called Gregory who lives in Mississauga. He was identified in January 1989 by their special placements advisory committee as needing a placement outside of his home on a residential basis. This Gregory cannot walk, speak or feed himself. He is in diapers and he is 10 years of age. He is an actual case, but it is only an example of 40 or so that Community Living Mississauga has on its waiting list. Once that child or young person has been identified—I think what is particularly relevant in this case is that this young person is 10 years old, this child is 10 years old and the family has never sought any government help for 10 years. The only reason they are at that point now is because he is 10 and physically he is too demanding for the family to cope with, even to lift him.

It is two years since the case was identified and the need and the remedy was identified. What from your ministry, now that you are the new minister, can I tell those parents and similar parents in Community Living Mississauga who face the same—it is an unbelievable challenge. In terms of human priorities, I hope you will be able to set priorities in terms of human need.

Hon Mrs Akande: I want to thank you for bringing me this report. I had not seen it before. If it has been mailed to me, it has not reached me yet. Certainly I will read it and address the general concerns you state here. Concerning the specific example you have given of Gregory, there is a program, the special services at home program, which will provide respite to parents. There are some other programs. I know you have only outlined Gregory. There are probably more specific needs his family has, and if later I could give you the area office person to get in touch with, or Sue Herbert would direct that, there will be programs that respond directly to him.

I recognize you are saying that Gregory is but an example and that there are many others. I realize that. Not to make it sound trivial at all, but it is like the James Taylor song: that is why I am here, and for no other reason. Certainly we will address these. There will be changes well within whatever the budget can be stretched—whatever elasticity can be developed within the budget to address children's needs, I will do it.

Mr Hope: As I was leafing through the report and listening to some of your comments, first, I have to commend the minister for her knowledge on the book that is before us today. As the reference was made to Mighty Mouse, I would have to make reference to King George and the sheriff of Nottingham; as we look at our federal government I am waiting to find out when Robin Hood is going to appear.

Ms Haslam: King John. We told him it was John.

Mr Hope: As I look at page 28 of the text in front of us—I am giving you time to refer to this. I am not sure who to refer the question to, whether it be to the minister or the deputy, but there are two key important issues I have to look at and when I start looking at percentage increase

then I start to open my eyes when I notice it is of that magnitude of 130.7% for transportation and communications and 169.5% for supplies and equipment.

As we go through this, we never see any percentages that high throughout this whole book. My question would be to either the minister or the deputy, whoever would feel comfortable. There is a group out there that is very concerned about the creditability of this government, making sure that we are fiscally responsible, as the major tax revolters throughout the areas of this province, paying attention to both the municipal and provincial. Some of them forget about the federal. But dealing with the provincial government is my obligation also, to make sure that we have a true sense of making sure that we are fiscally responsible for our actions. I would like to pose the question, why is it such a high increase in those two areas?

1540

**Hon Mrs Akande:** You are talking about the 130.7%, Mr Hope?

Mr Hope: The 130% and 169.5% in the two areas, transportation and communications, and also supply and equipment.

Hon Mrs Akande: It is an error actually, but Ms Stewart will explain exactly where the error has come.

Mr Hope: Good.

Hon Mrs Akande: And your office drawer will be locked.

Ms Gibbons: The air is out of your tires.

Ms Stewart: I do appreciate the opportunity, Mr Hope, to grovel in humility, but indeed we have made an error in the book. These percentage increases, and you will see in between them the percentage decrease of some 60%, do not reflect the actual budget plans of the ministry. This is an error. I will point out, however, that some of those three items, some of which are showing very large percentage increases and one which shows a very small, actually a negative increase, reflect overall about a 4% increase in that whole group of expenditures, and as well some specific projects related to supports to employment program and to the electronic funds transfer, a pilot which we are trying to undertake in the income maintenance area. by and large, the figures indeed prove that sometimes we too are wrong.

Ms Gibbons: Why do you not move over here, Randy?

Mr Hope: Well, I have an obligation. That is why we were elected here. The people are looking for a responsible government, fiscally responsible, as they have indicated in the past that previous governments have not been fiscally responsible. If you are stating that it is an error, and I believe these are public documents, is that error going to be corrected?

**Hon Mrs Akande:** It shall be corrected. The parliamentary assistant is going to sit and redo every one of them.

Ms Haslam: That is right.

Hon Mrs Akande: That is going to be your job tonight.

Just to be clear, Randy, I do not believe that we can correct this at this point but the correction will be reflected in next year's book.

The Chair: To state the obvious, it has now been corrected for purposes of Hansard and forms part of the discussions surrounding that which we will approve.

Ms Haslam: I have two or three different questions. One deals with your speech on page 18. The other one I am going to be dealing with in the audit book on page 92, in particular some of the new program directions including the programming. In that particular area, I am going to dealing with something in my own riding.

In your opening speech yesterday, it said, "Over the coming weeks and months, we shall sponsor a number of forums for consumers, families, advocates, workers, union representatives and leading experts in the field of services for people with developmental handicaps." I wanted to know a little more about it. Is that set in place? Is there a schedule? Is it public? How do we find out? How do we access that? How do we take part in it?

Hon Mrs Akande: Certainly they will be announced in various communities. Let me tell you what we have done to this point.

We have got in touch with some of the larger associations that are focused around developmental handicaps. For example, People First, the Ontario Association for Children with Learning Disabilities, various groups that are focused around serving that population. We will also be dealing with the families. Many of the facilities have parents' groups and we are going to use that system to also get in touch with many of those parents' groups and so on.

The forums will be published. You will know in various areas where those forums are, but we do not want to initiate a system which will have a negative reaction on the multi-year plan, so it is not going to be done in a way that allows for other than a fruitful discussion.

Ms Haslam: You talked about large centres. In other words, they are going to be centred in large areas, not in any of the outlying areas?

Hon Mrs Akande: Yes, they will be in outlying areas too, but I am talking about centres where people in the area have access to that facility. That is what I meant by "large."

Ms Haslam: How will we find out? Will it be in newspapers? Will there be letters going out?

Hon Mrs Akande: Certainly we will contact the members when we are having discussions in their particular areas, so that they would hopefully attend those discussions.

Ms Gibbons: Maybe I could just add to what the minister said. We are intending to hold area focus groups and get some input on a whole range of issues at that level about ideas for new services, how are the current services working, to roll that up to provincial level discussions and to formulate, if the minister agrees to the process, a position paper that shares that experience of consultation with the public.

Ms Haslam: Coming back to-

The Chair: I am obligated to advise you that I have the last questions from Ms Haeck and Mr Hansen and they are at your mercy in terms of yielding.

Ms Haslam: No, I would like to get another-

The Chair: As long as they know that, then that is fine with me.

Ms Haslam: They live with me. They can lock my door tonight.

The other area, on page 92 and 93, when we are talking sheltered workshop, in particular I look at your new program directions and taking a little bit off what my honourable colleague—am I getting that right, Margaret? My honourable colleague was talking about the money that is in the system when there has not been any money before, and I hope I am on the right area here.

I deal with associations for community living, and I am going back into my own riding again because I have had meetings with some of these people. When you look at your new program direction it says, "Assist the sons and daughters of aging parents to set up their households with the support and supervision they need." In that case do they have to make a special request to the ministry for funding because there is no funding? In other words, they have not been in the system up until now. They have lived at home.

In this particular case he has lived on the farm all his life. The man is 40 years old. The aging parents can no longer afford to keep him and in order for him to be taken into community living there is no money attached to him. There is no money in the system for him. There is nothing that he brings with him to the association for community living. How does he go about getting funding and am I correct in that it must be a special presentation to the ministry?

Hon Mrs Akande: Yes, there must be a presentation; there must be a request. It comes through community development funds and he or his family would have to access those funds, if this is a person, as you say, who has not yet been in the system.

Ms Haeck: I have not had the chance to peruse the document because I am substituting and therefore I am working at something of a disadvantage, but there was a situation that arose within my own riding shortly after the election campaign where someone definitely raised the issue about vocational rehab, and to what degree those programs would be funded on an ongoing basis. There seemed to be an impression that those moneys would be folded into other programs. Is this the case or are we looking at an extension of vocational rehab?

Ms Gibbons: There appears to be a misunderstanding. We have no intention to take money from the vocational rehabilitation services program and put it anywhere else. We are, however, looking at employment services generally and trying to redefine what is captured by that particular area. In the redefinition, VRS may come out looking and sounding like something else, but we do not intend to take any money from this program area.

Ms Haeck: So you are really still talking about servicing those people who have some physical handicaps, to get themselves into the workforce.

Ms Gibbons: Absolutely.

Ms Haeck: Thank you.

Mr Hansen: On vote 802, item 07, on page 103, for the first time in 1989-90 there was a change of \$1,500,000 for treatment services. These treatment services, like the Ministry of Health and the Ministry of Correctional Services, are already involved in the anti-drug program. Was this program brought in for children, who were below, as you say, adults? It is not a duplication of any services in any other particular area? I am just a little bit confused on this money that has gone into here.

Hon Mrs Akande: It is not a duplication.

Mr Hansen: So this is actually younger children who would be involved in the drug—okay.

Hon Mrs Akande: Now I require some time. There was some information that was requested and the deputy has that information here.

The Chair: I would ask the deputy to indicate the breadth of the information she is sharing and—give that to the clerk—just refer briefly to the items and the clerk will distribute—

Ms Gibbons: One is in response to your question, Cam, about what were the decisions around the transitional houses, where the allocations went, and we are giving the news release that supports that. There were several questions around data for STEP and we have a package of data that describes what our current state-of-the-art knowledge—

The Chair: I do not want that because I did not ask for that. That is it? Then I might just indicate that I do get your press releases and I do file them. That is not what I asked for. I asked for those who have made application who had not been approved.

Ms Gibbons: Oh no, I am sorry; I misunderstood.

The Chair: Yes; so we will clarify that later and not take up additional time—

Ms Gibbons: I beg your pardon.

The Chair: —so I apologize. I was not as clear as I could have been. So that material is being distributed?

Mr Hansen, did you have a question?

Mr Hansen: No, I did not.

The Chair: Thank you. We have now completed the assigned time for the 1990-91 estimates for the Ministry of Community and Social Services. I should now like to call the vote on each of the estimate vote items. Shall vote 801—

Ms Haslam: Could I just have a few minutes, Mr Chair? Thank you.

**The Chair:** Well, no, I am not giving you a couple of minutes. Shall vote 801, carry?

Interjections.

The Chair: I will call it one more time please, and people can only vote if they are in their seats. Those are the standing rules. I will call one more time. Shall vote 801 carry?

Vote 801 agreed to.

The Chair: Shall vote 802 carry?

Vote 802 agreed to.

The Chair: Shall the estimates of the Ministry of Community and Social Services, 1990-91, be reported to the House?

Agreed to.

Interjections.

The Chair: Order, please. If I might, I just simply would like to thank all members of the staff who have been present for the two days under unusual circumstances. At a point yesterday, it was as difficult to get fresh air in this room as it was to find a seat. So I want to thank the staff. I want to thank the minister. Many of you will not be aware but cabinet met today, and the minister chose to be here for the estimates. Since estimates are never allowed to meet during cabinet meetings, she has clearly indicated the importance she has put on the estimates process. I wish to thank her publicly for that, as chairman of the committee.

This meeting stands adjourned for five minutes, until we can reconvene for the estimates of the Ministry of Treasury and Economics.

Mrs McLeod: As for any remaining information that we had requested, would that be distributed to us individually or become part of the record?

The Chair: The Chair has recognized Mrs McLeod, and she has asked if all of the materials and questions raised were going to be circulated to the members of the committee. My understanding is that was the case and that the deputy was merely bringing those items she could pull together on short notice while the estimates were in process.

Ms Haslam: I would like to go on record as saying thank you to the Vice-Chair for doing such an admirable job.

The Chair: Thank you. This meeting is adjourned for five minutes.

The committee recessed at 1555.

1604

# MINISTRY OF TREASURY AND ECONOMICS

The Chair: I would like to call to order the standing committee on estimates to begin our seven hours of deliberations on the estimates of the Ministry of Treasury and Economics. I am pleased to welcome the Treasurer, the Honourable Floyd Laughren to the table.

Mr Bradley: How frightening.

The Chair: Is it the honourable part or the treasurer part?

Mr Bradley: I never thought I would think of Floyd Laughren as being the Treasurer of this province.

Ms Haslam: Are we all allowed to make comments?

Mrs Marland: No, we are not.

Hon Mr Laughren: I am glad the Chair is keeping things in order.

The Chair: Yes.

Mr Christopherson: Is this a great province or what?

The Chair: Thank you, Mr Christopherson.

**Mr Bradley:** To quote from the Bible, I think the first shall be last and the last shall be first.

The Chair: Enough parables now.

Mr Charlton: I move Hansard strike out everything after "think."

The Chair: I thought I had already handed the floor over to the Treasurer, but I would certainly like him to take it now.

Hon Mr Laughren: I do not blame you for doing that.

Just for the information of members, I did not come with a prepared text that I can hand out to all of you. I thought that given the fact that this is February and these estimates are due to cover to the end of March, it did not make much sense to go over these estimates, because I can tell you I was consulted very little when these estimates were being drafted, so I cannot take much responsibility for them.

But I thought the committee would perhaps be more interested in where we are at, where the economy is at and how we got here and where we are going. If that meets with the approval of the committee, Mr Chair, I propose to do that.

The Chair: It is your half-hour and you can do with it as you wish.

Hon Mr Laughren: Okay. I think most members are very much aware of the fact that when we took over on 1 October as a government, the numbers that tell the story about the economy were changing very dramatically and very rapidly and had started to do so I guess at the end of the second quarter. In other words, in the summertime they were starting to change a lot more quickly and more profoundly than anybody had anticipated and what started out as a surplus very quickly turned into a deficit of \$2.5 billion.

To be fair, there were some numbers that were put into the equation that helped make—if "help" is the right word—that meant the deficit went up to \$2.5 billion, and there were a couple of things that had not been put in the equation that we did put in.

One, for example, was the money that we had an obligation to pay on behalf of UTDC. That was \$400 million and there was clearly no way around that and we simply had to pay it. It was ticking away at interest rate payments of about \$1 million a week, so we paid that \$400 million off. That is now clear. I think it came out to about \$407 million by the time all of the accounting was done. So that helped bump it up higher, too. It added to the deficit, but it was clearly an obligation we had.

1610

Also the SkyDome obligation, which is still there, quite frankly, had to be considered because it was clearly an obligation of the province as well. There were negotiations to be concluded with the doctors of this province,

who had not had a settlement of their fees since the spring of 1988. So we felt that those things should legitimately be factored in when anticipating what the deficit would be at the end of 1990-91, 31 March 1991.

Those were some of the reasons that the deficit became the \$2.5 billion. There was nothing mysterious in it and there was no attempt to embarrass the former government. It was simply a way of laying out all the numbers as we found them. Since then the numbers on the economy have gotten worse. The recession is deeper and will last longer than we thought it was going to, even in the fall.

And of course there are some external factors that we have absolutely no control over, or so little that one would not pretend that we did—such as the Gulf war, for example, and the price of oil—that can have a major impact on the economy here in Canada. The US economy and to what extent it goes into—it is in a recession, but how deep it is and how long it lasts and the effect of the Gulf war on the US economy, all those things are factors over which we have very little control.

I have my own views, and I think you probably know what they are, about the federal government policies with its high interest rates and the high value of the Canadian dollar, which we feel is hurting the Ontario economy. We think that the federal government is preoccupied with the spectre of inflation rather than the problem with the economy and the recession. In Ontario, the last number I saw, we had an inflation rate in December of 4.4%. It seems to me that is no reason to put the Bank of Canada on a war footing. We should be concerned with the recession rather than with inflation. I think that they have gone too far and the whole philosophy of dealing with our economy should change.

We have made that point as often as we can with Mr Wilson, and the Premier has written and asked for a first ministers conference on the economy, with no luck, but that is how we feel about it. So some of the factors are not within the ambit of Ontario at all.

The timetable for recovery, quite frankly, is uncertain and we shall do as best we can with it. There were some programs and policies of the previous government, and some tax policies, that we intend to honour, and we have already announced that; as an example, tax measures that had been introduced in the spring and had never been passed and the election was called and so forth.

The one change we did make was something called the Ontario current cost allowance, OCCA, which when it was brought in, introduced for first reading, was to increase the current cost allowance from 15% to 30%. What we did was leave it at 30% to the end of 1991 and then sunsetted it, and even after that, though, leaving it in place for pollution control equipment and one other category, I think. Anyway, it was basically for the pollution control equipment.

The idea behind that was that it would say to investors: "Look, we're in a tough time in 1991. We really want you to invest this year and if you want to take advantage of that 30% cost allowance, do it in 1991. Don't wait until 1992, because by then it'll be back down to regular levels." So that was the reason we did that.

I mentioned the SkyDome debt a minute ago and I meant to say, and I forgot that you probably know, we have appointed a team of negotiators who, almost as we speak, are working away at trying to work out some way in which that obligation, which is well over \$300 million now, can be met not totally by the province, the provincial taxpayers. The private sector should share in that responsibility. But the legal obligation is the province's, so we are working very hard.

The negotiating team is working hard to see if it can get that down. I have nothing to report to you at this point, because they are in the middle of negotiations and every week or so they have another meeting with members of the consortium and the negotiating team. So there is nothing to report there, but we very much want to get that resolved.

Actually, the SkyDome makes money. If it did not have its huge debt, it would actually make a surplus on its operations, which of course is why they are so anxious to resolve the problem at the SkyDome as well.

For the next year, the year ahead, there are some disturbing signs. We know that the unemployment is going to be higher. We know that the growth in the gross domestic product, the real growth, is going to be flat—I guess negative actually—that our revenues are going to be low and that some of our expenses are going to be up.

As you know, the welfare case loads have gone very, very high and you hear the municipalities complaining about it. Well, I want to tell you they are not complaining without cause. They have gone very high. I think the last number I saw was that for this year they are about \$500 million higher than was budgeted, which is a lot of money; I think at least \$500 million, which is big bucks.

What is hurting as well, and I am not here to engage in a fed-bashing exercise, but I think you would agree that when they put the cap on the Canada assistance plan, which is money that is supposed to go to the provinces to help pay for social programs, they put a cap of 5% on an increase over the previous year. That 5% cap means that any increase in those payments that we make out over 5% we eat and the feds do not take a part in it. At a time when welfare case loads are going through the roof, that is terribly expensive for the province, and of course the municipalities too, because the municipalities pay 20%. We are supposed to pay 30% and the feds pay 50%, but once it has gone past that 5% increase we are picking up 80%. That is very, very difficult for the province's bank account, as you might imagine, so that has really been a problem and we anticipate that welfare case loads are going to stay high in 1991 as well.

We know that housing is going to be down again next year, that unemployment is going to be up, that the inflation rate is going to be around 6% for 1991. In response to all of this, because of the nature of the economy and our need to respond to it, we have done a number of things.

We made a decision early on not to put the Ontario retail sales tax on top of the federal goods and services tax. We felt that would be a tax on a tax, and since we had stated very clearly that we were in principle opposed to living off the avails of the GST, that we should not do that, we said we would do a side-by-side arrangement. It is a

little more complex and I know it would have been simpler to simply put it on top, but we felt that we wanted to do it side by side. That has posed some problems for consumers in that if the retailer decides to put GST included in his price, there is no way of monitoring that—well, you can try. It ended up being a problem with putting the 8% on something you do not know whether it is included in the price or not. That has been a bit of a problem, but we are trusting the merchants at this point to be honourable, and the Ministry of Revenue does have a process of monitoring that, of policing that. But it is not without its complication.

We introduced the \$700-million antirecession package, and that is going forward. I know a large portion of that has been approved now, the projects have been selected. We were very careful to try and approve projects that met certain criteria, environmentally sensitive, energy conservation, to help people with disabilities, things like that; and very much aware of the economic problems in particular communities and to be responsive to that, so that communities that were hard hit got a better share of the antirecession package than the communities that were reasonably healthy. So those were factors that were built into the selection criteria, and there is a cabinet committee that works on that. Mr Christopherson serves on that committee.

So we tried to be very fair in the allocation of that \$700-million package, and a big portion of it has now been approved. We picked that kind of project because we wanted an antirecession package that was capital works projects that were not built into the base of our expenditures in years to come, because that would have meant we would simply be wrestling with a perhaps even larger deficit than we would want to in years to come. So they are one-time capital works projects which stimulate the economy, which improve the social infrastructure, if I can use that term, out there all across the province. It would simply be money that would have to be spent at a future date anyway. So for those reasons, we decided to make it a capital works program rather than program expenditures, and I believe that was the right decision.

Finally, because most of those projects will be completed in 1991, and we were hoping and still are that the recession would be basically over by the end of 1991, it would not be something that was carrying on after it was needed so desperately in the province, that it would end when the recession ended. We will see. The jury is out on that, of course. People still seem to think that the recovery will start taking place in 1991, but it will not be as early in 1991 as was originally thought; it would be later.

That antirecession package is designed to create about 14,000 person-year jobs, but because a lot of the jobs will not last a year, in effect it is more jobs than that: It will create closer to 20,000. Also, with the local components—school boards, municipalities, to that program—it is more than a \$700-million program, it is more like a \$1-billion program with the local component.

We think that was a decent response to a recession, given our limited ability to spend a lot of bucks. We did invite the federal government to come in on it, but it declined without thanks.

The other thing we have done that does not directly affect the recession, but I think was an important signal to send out, was appointing the Fair Tax Commission. This very afternoon, right now as a matter of fact, the standing committee on government agencies is reviewing some of those appointments. There were two yesterday and I think they have five before them this afternoon, which is appropriate.

Mr Bradley: A very interesting exercise, too.

Hon Mr Laughren: I have heard some of the questions that have been asked, the comments that have been made, and I have found them interesting myself.

Mr Bradley: They have changed the name from "fair" to the "NDP tax commission."

Hon Mr Laughren: Now, now. That is not fair. You had better wait until the entire exercise has been completed before you slander us that way. I know that will be the accusation by some, but believe me, we tried very hard to make the tax commission representative of the province. I think that fair-minded persons will certainly conclude that. I remember when you were in opposition; when you were in opposition before you were very fair-minded, so I trust you will be this time as well.

So the Fair Tax Commission is going to be looking at all of our taxes. That was one area of criticism I got that really surprised me. As a matter of fact, a columnist said it, and then a businessman said to me he did not like the word "fair" in the title, which I thought really should not need a lot of comment. But if you do not want the word "fair" in it, what does it imply? I think there is a perception out there in Ontario by a lot of people that the tax system is not fair. Whether it is or not perhaps is another question, but the perception out there is that it is not a fair tax system. And if people do not think the tax system is fair, I think it is an encouragement for them to do what they can to avoid paying their fair share. If you have a perception that it is a fair tax system and that everybody is paying their fair share, then I think it has a legitimacy that, quite frankly, I do not think it has now. So we will see what happens.

We hope to take your advice on an ongoing basis rather than—which is one of the reasons we did not set up a royal commission that will report only once at the end of three years or four years or whatever. I would remind you that it has been 25 years since it was last looked at, the Ontario tax system; that was the Smith committee. I think 25 years is long enough to go without examining the tax system in a province like Ontario.

So I feel very good about the commission and I look forward to the standing committee on agencies, boards and commissions concluding its examination. I think they will finish this week, which I appreciate very much. It was their choice whether or not to call them in, but when they did decide to, they did it very quickly, and I appreciate that because it will allow the matter to be resolved very quickly.

Just this week we have announced the transfer payments to our partners out there in the province; I do not know whether members want to get into that or not. They totalled about \$16.7 billion and we had some tough decisions

1630

to make, because it is no secret that our revenues are going to be tough in 1991, it is no secret that our deficit is going to go up. When it came to making these decisions, we had to walk a line between giving them more than we did or being even tougher than we were and saying we were being tough because we were preoccupied with—not preoccupied, but because we were not prepared to go that far, given the depth of the recession.

You have heard the Premier talk a lot about partnerships. We believe in that concept of those people out there being partners with us, not adversaries; I am talking about the school boards, the municipalities and the health care system. We feel very strongly about that, and to have come out right now with a level of transfer payments that was flat-lined or 1% or 2% or 3% would have been a bad signal to people we want to work in partnership with us in resolving some of the problems. I think it was a delicate balance, and I expect the transfer agencies not to be happy with what they get. That is their job. They are representing their constituents and they have simply got to fight for more. I understand that very well; I expect it. I would not be unhappy but I would be very surprised if they did not do that. I understand that, but at the same time I trust they will understand that we had some tough decisions to make too, and when the budget comes down in a couple of months, I think they will appreciate the fact that we have been as fair to them as it was possible to be.

The other thing we did as a signal of how serious we are about equity is leaving the pay equity question out of those transfer payments, by saying that pay equity will be on top of those transfer payment dollars. I think that was a major commitment we gave at this time. It would have been quite easy to fold it in and say, "We assume you will meet your pay equity commitments within those dollars," but I feel very strongly that our commitment to pay equity is not determined by the depth of a recession or the length of a recession. If the dollars are big, all big dollars do on pay equity is signal how bad the discrimination has been historically; the bigger the dollars, the worse the discrimination against women in the workplace. We feel very strongly about that and that is why we did it that way, rather than folding the pay equity dollars into the transfer payments.

I must have gone on beyond my time, so I will close—
The Chair: It just feels that way. Actually, you have more time, Treasurer.

Hon Mr Laughren: Okay, I was not watching-

The Chair: It is the subject matter, Treasurer, not your presentation.

Hon Mr Laughren: Okay, okay. I know I sounded a bit gloomy today. At the same time, though, we should keep in mind the kind of province this is. We are a province with an enormous diversity. We have enormous wealth that is being created and has already been created in terms of the infrastructure out there; still, in my view, the best jurisdiction in the world in which to invest, and that the rest of the world will see that. We are encouraging that as best we can. We are very much aware of that as budget

time approaches and we start considering tax measures, very much aware of the need to remain competitive. That is something we do not take lightly at all. We must have a competitive jurisdiction and we will be keeping that in mind, I assure you.

With that comment, I will close off my remarks, and I would be prepared to try and answer any questions. We have lots of people here from Treasury who know a lot more about specifics than I do and would be glad to help. To my left is Bryan Davies, who is Deputy Treasurer. I think you have all met my parliamentary assistant by now, David Christopherson, who has been most helpful in all sorts of ways; I appreciate that. If there are any questions, I shall be prepared to—I do not know what your agenda is, whether you are allowing others to make statements or not, but thank you.

The Chair: The procedure is that your opening statement could encompass up to half an hour, and that precedent and standing orders continue. We will recognize the official opposition, which will have up to half an hour, then the Chair will recognize the third party and its spokesperson for half an hour, and the Treasurer will then have up to half an hour to respond in any way he feels comfortable responding.

**Mr Bradley:** I will use my half-hour to put on record a number of questions which the Treasurer and his staff will have an opportunity to develop answers for rather than giving the answers immediately, and give them an opportunity next day to be able to present those.

Obviously, as we approach these estimates, the outstanding issue confronting the province, in my view and I think the view of most people in Ontario, is the recession, a rather deep recession, a rather significant recession; the Treasurer has stated himself it is perhaps a deeper recession than most people would have anticipated we would be in. The facts and figures point to a gloomy short-term, at least, future; we hope not long-term future.

The Treasurer has indicated that, as must be the case in a province, the provincial Treasurer is not solely responsible for the economy in a jurisdiction. I know in his previous incarnation he may have emphasized the role and responsibility of the provincial Treasurer. We all recognize that the federal government and international circumstances also confront us.

As I remember, the January unemployment rate in Ontario rose to some 8.4%. This puts unemployment in our province ahead of that of Saskatchewan, Manitoba, and Alberta, as we had 26,000 people in Ontario who lost their jobs last month alone. We look at specific areas of the province, and these have been rather chronic when we get into a recession. It is something the Treasurer may wish to address some day, because it is hard to get governments at any level to address it; that is the fact that Windsor is at over 14%, as is St Catharines and Brantford and Cornwall. All of these area among the hardest hit and very often some of these areas will not qualify for special programs of either the province or the federal government.

In the case of the Niagara Peninsula, for instance, considered to be part of the Golden Horseshoe, in time of a

recession particularly it is somewhat of a tarnished horseshoe, because the unemployment rate appears to get higher in those areas. I realize they are susceptible to recession in that they are reliant upon such industries as the automotive industry. This is why, of course, it is particularly important that the Treasurer proceed with his plans to move the Ministry of Transportation to the city of St Catharines to ensure that there are some recession-proof jobs brought to that particular community. I know the Treasurer himself would recognize the importance of that decentralization program, would not see it, as some of his colleagues have, as a political ploy but rather a well-thought-out policy he would be supportive of, being from the Sudbury area, where they have been the recipients of these and it certainly has had some positive impact on that area.

I point out to the Treasurer that Ontario has recorded 1,943 bankruptcies in December, more than double the amount in 1989. That year had a total of some 19,194. The bankruptcies, again, are a reflection of the economic circumstances we are in. In December there were 49,000 fewer Ontarians with jobs than in November. There were 246,000 fewer people employed in Ontario in January than there were when this government took power in October of this year. I will be asking the Treasurer—he has made some comment in this regard—to tell us what his government is going to do for these specific people who are certainly in need.

In the Agenda for People the Premier stated: "The recession is here. We want to provide relief for those who need it most, protecting people's investment in their farms, their small businesses and their jobs. We propose adjustment and training measures to protect jobs today and in the future." That is the Premier. We would like to know what plans you might have in the future to carry out that promise. We would like to know what is being done to protect and enhance the jobs that exist at present. We would like to know what your current impressions are of Ontario's relative position of competitiveness and what the government will do to make this province more competitive.

You have stated that you believe we are still competitive, but obviously the competition is getting quite tougher on an international basis, on an interprovincial basis, and certainly we look in the American and Canadian context. One of the questions being asked by the government agencies committee of the people who are being appointed to the NDP tax commission is what their position would be on ensuring that Ontario is in a competitive position.

We would like to know what you intend to do to promote Ontario as a place to invest, given the government's intention to slash the budget of the Ministry of Industry, Trade and Technology, a ministry which has specific responsibility in that regard. You may be able to allay our concerns about the thoughts that that might indeed be the case.

I point out to the Treasurer, again, that he and his colleagues were very interested in the field of housing. We know that in December housing starts declined to 32,000 units. In 1990 housing starts were down to their lowest level since 1982, according to Treasury and Economics figures. I will ask you now if you are going to let the

housing industry deteriorate further before you do anything about that.

Layoffs due to permanent plant closures reached 20,000 last year, much higher than the level during the 1982 recession. The pace of layoffs and plant closures has only accelerated since this government took office. I would like to know what the Treasurer has to offer to these workers. I think one of the concerns you would have, as I do, is that back in the 1982 recession and in other recessions we had a loss of jobs on a temporary basis. People would be laid off, but they had the feeling they would be back in three, four, five, six, seven months. There is a feeling out there that many of the jobs that are being lost now are permanently lost, that they will not come back, and we would like to know what you plan to do about that. We are interested in what you are going to be doing in terms of plant closure justification, wage protection fund and severance and notice provisions promised by the New Democratic Party.

#### 1640

Also in An Agenda for People was the bold statement, and I quote from An Agenda for People: "Ontario is now in a recession. The high interest rate policies of the federal Conservatives demand a provincial response." Your Premier went on to promise interest rate relief for farmers, small businesses and home buyers. Quebec was able to bring in these programs. Why have you not brought in any such programs to assist? That is an ill-conceived policy, I think most would agree, the high interest rate policy of the federal government. We know that you have been unsuccessful in persuading Michael Wilson or the Prime Minister to change that, so we are wondering what you will do to alleviate that for the people of Ontario?

The Treasurer announced the details of his \$700-million recession package on 5 December 1990. At the time, the government maintained it would spend \$41 million over the four months remaining in the fiscal year 1990-91. The Treasurer recently revised this prediction to \$34 million because of difficulties at the province's end in flowing the money. In an appearance before the standing committee on finance and economic affairs, the Treasurer blamed this failure on bureaucratic red tape. Have you been able to get the bureaucratic red tape cut?

Hon Mr Laughren: I did not say that.

Mr Bradley: This is of course what I have been informed and the Treasurer may wish to refute that at the appropriate time. I am sure that you must have said something very close to that. Certainly, Mr Stockwell, who is unimpeachable in his recollections, recalls that to be the case.

The Chair: Even the Chairman may want to call order on that one. Mr Bradley has the floor and I question your willingness to give it up.

Mr Bradley: Right, I still have it.

We would like to know what the specific problem is with flowing the funds and why the Treasurer has allowed this to occur. Whose fault is it? Is it yours or the civil service's? What are you doing differently to ensure the money will flow now that the province is in the trough of

the recession? Does the Treasurer expect the full \$700 million to be spent before 31 March 1992, which is the end of the next fiscal year?

One of the things I am going to sidetrack to here that I think is important is the fact that—

Mr Perruzza: On a point of order, Mr Chairman, just for clarification—

The Chair: What is your point of order?

Mr Perruzza: Just a clarification.

The Chair: Then on a point of order or clarification.

Mr Perruzza: Actually, it relates to order. You mentioned that all of the parties are going to have half an hour to preamble their questions that we will be asking later.

The Chair: That is correct. It was a procedure that was explained.

Mr Perruzza: Well, is Mr Bradley going to simply be asking all of these questions later again? I do not understand what the objective is.

The Chair: Mr Perruzza, that is not in order. You are certainly not helping to clarify matters at all. Mr Bradley, please continue.

Mr Bradley: I will continue the way I did my first eight years in opposition asking these questions.

A number of conditional grants for municipalities have not yet been announced. That is of great concern to municipalities. They plan for their projects for the upcoming year; they work on a January-to-the-end-of-December basis for their budgets. Many of them are wondering if they are going to get grants for specific projects and how much the province is going to be providing. You have talked about unconditional grants. You have not talked about conditional grants. I think you said in your press conference that you would be dealing with that at the time of your budget.

I would submit to the Treasurer that that information has to be out to those municipalities earlier and it is particularly important in a recession because a lot of them may or may not proceed. A lot of them are reluctant to proceed because of the dollars they have to provide, and since you are only providing a 5% increase in unconditional grants from which they may draw some of that money, they would like to know what that is going to be, and therefore I think you should have made that announcement earlier. I hope you will be able to bring that information forward soon and I know, when you get a chance to respond, you will.

I would like to know from you how municipalities are supposed to plan for other capital projects, and that is exactly what we are dealing with, which would respond to the job need for the recession. I am talking about sewer and water funding, for instance. I remember the Treasurer writing me a letter at one time as the MPP for Nickel Belt, saying, "Isn't it time you started acting like a Minister of the Environment instead of talking like one?"

Hon Mr Laughren: I still feel that way.

Mr Bradley: So I would say, is it not time that you as Treasurer started acting like a Treasurer concerned about recession, instead of simply talking about it? Anyway, I have been waiting a long time to say that.

Hon Mr Laughren: I have been waiting a long time to hear it.

Mr Bradley: The Sewer and Water Corp announced by the previous government provided a structure to lever additional needed expenditures for sewer and water capital because the corporation could finance projects based on its assets beyond a level of funding currently dependent on a municipality's debt capacity. I would like to know what the government's timetable is for initiating work by the new corporation, and indeed if it is going to proceed with the new corporation or revert to some other method of financing.

The government of Quebec recently announced a \$1.5-billion antirecession package while facing a proportionately higher deficit of \$2 billion on expenditures of approximately \$35 billion. The Quebec package included a \$311-million public works program for hospitals and schools, 8.5% subsidized mortgages for three years on new-home construction up to \$5,000. This is estimated to generate \$1 billion in new spending on housing and create 16,000 new jobs at a cost of only \$170 million to the Quebec taxpayers. It announced \$50 million for home renovation, more regional development projects, \$15 million in assistance for small businesses facing bankruptices. The total Quebec package will create an estimated 21,400 jobs. Why is the Treasurer of Ontario not involved in this particular sort of program?

I go on to the free trade with Mexico. I well recall in the election campaign and previous to that the man who is now Premier of this province standing in the House and demanding that the previous Premier of this province stop the free trade agreement and suggesting that he had the power to do so. We now have the same Premier and no doubt members of his cabinet, saying, "Well, of course, that's a federal responsibility and we can't do anything about it."

I remember that your Premier was promising that he would not do anything to implement or co-operate with the implementation of the free trade agreement with the US. Later, when the smell of power overcame him, he promised to rip up the free trade deal. I would like to know whether it is your plan, as the Treasurer, to rip up the free trade deal and what measures you are taking to thwart its implementation.

That was with the US. We now have free trade being talked about and negotiations begun for a trilateral free trade agreement with Mexico and the US, and I am wondering if the Premier and the cabinet have now changed their minds. The Labour minister and the Premier criticized the proposal on 6 February and then backtracked. Mr Rae said the possibility of an even further job haemorrhage stares us right in the face and then he said the responsibility for trade constitutionally belongs to Mr Mulroney. Mr Mackenzie said, "I'm not sure what the hell we can do about it," and Mr Rae admitted he cannot do anything to prevent the talks and said, "I'm not going to stand here and

promise that I can stop something when I'm not convinced that's exactly what I can do."

What happened between 6 September and 6 February in dealing with free trade? Does this government support these talks and what is it doing to stop this? I think I saw your Industry, Trade and Technology minister on television saying, "Not so." I would be interested in the Treasurer's evaluation of these talks, whether he feels it is better to be at the table or not have a table there in any event. Has the government commissioned any studies on the ramifications of this agreement with Mexico on Ontario? If not, why not, since there have been some discussions of that for some period of time?

The Treasurer talked about competitiveness, and I mentioned that in the other committee we talked about competitiveness. Quebec has combined its retail sales tax with the GST in order to enhance its competitive position vis-à-vis other provinces. With its combined levy, Quebec will exempt business investments in plant and equipment on sales tax, providing a 3% cost edge over Ontario. What I am interested in is what the Treasurer will do to address this erosion of Ontario business competitiveness. How will he counterbalance that? He may not take the same action but he may have some idea of how he could countermeasure that

There are indications that businesses are closing their plants now to avoid the tax hammer that they believe will be coming from the NDP government in coming months. What message will the Treasurer send to these businesses at this time? Will he work with them to help rebuild Ontario competitiveness or will he show the same consultation with business that his government has shown with the Essex county school board?

1650

How will he enhance Ontario competitiveness as a whole, in a time when we are experiencing record numbers of plant closures, especially in the manufacturing sector? That is extremely important. I mentioned on the other committee, when I was being harassed by members of the governing party, or someone—I forget who; somebody was harassing me anyway—I explained to them where I was coming from on this.

Unlike some people who have been born into privilege or who are serving because they have royal blood or something like that, lots of people like that, I come from a truly working-class background, and the Treasurer would be aware of that. I recognize, as do my neighbours who work at various factories, that unless their plants are competitive, unless the Ontario business world is competitive, in fact they are not going to have jobs. They are pretty hardnosed people and they understand that when it comes down to—that is why they are interested in our competitive position as well.

The members of this so-called Fair Tax Commission—or as I call it, the NDP tax commission—were announced on 7 February by the Treasurer. It will take the NDP tax commission three years and at least \$9 million to prepare its final report, although the Treasurer expects it to submit regular reports, as he indicated. Who will set the priorities for what the commission studies? The Treasurer or the

commission? Has the Treasurer set any direction yet? Which of the proposed NDP taxes does the Treasurer want the commission to study first?

I would suggest that, since you have made all of these promises to implement certain taxes, some might say, if they were cynical people, that perhaps the real purpose of the commission was to simply rubber-stamp the government policy and give it some legitimacy. Although when we look at the makeup of the commission—

Mr Perruzza: Mr Chairman, are you going to allow stuff like that?

The Chair: Yes, I am, Mr Perruzza, please.

Mr Bradley: When we look at the makeup of the commission, we recognize that that might well be the case, because many of its members' views appear to be those of the Treasurer and others in the province of Ontario.

Hon Mr Laughren: You are so sceptical.

Mr Bradley: An Agenda for People stated that Ontario should lead a tax revolt, a revolt against the Mulroney GST, a revolt against corporate giveaways, a revolt against the continuing accumulation of vast amounts of wealth in fewer and fewer hands. The Revenue minister has said that the tax revolt is a removal of the GST from the retail sales tax base and the legal challenge mounted with other provincial governments. Is this all we can expect from you and your government in its tax revolt?

As a stimulative measure and to remove the onus of sales tax from lower-income families and those who are now adjusting to layoffs or unemployment, would the Treasurer consider cutting the provincial sales tax by 1%, which would put over \$1 billion back into the pockets of consumers?

Another issue which has arisen, and I know it is always a touchy issue, particularly with the Provincial Auditor, is the use of preflows as a tool of government to enhance the economy. The government in the past has followed a long tradition in preflowing transfer payments. Mr Laughren, I understand that you are considering stopping the practice, which you consider to be wrong. I heard that anyway, that may not be the case, and you can clarify that for me.

Why would you be considering stopping preflows? Which option is preferable to you: collecting interest on unexpected revenues languishing in a bank account or using the money to improve education, welfare services, or even save lives in the health care system, as soon as possible? I ask you that question in that context.

Hon Mr Laughren: Objectively put.

Mr Bradley: Borrowing on the rate on bonds is another problem. The interest rate charged on provincial borrowing is calculated as basis points. Each basis point is one one-hundredth of 1%; 100 basis points is 1% of interest. The cost of provincial borrowing has always been higher for a province than for the federal government, traditionally 25 points higher than the federal borrowing, in the range of the 35 basis points. There have been reports that the basis point spread on the NDP's provincial borrowing has increased significantly, up to an 85 point spread, or 0.4% above the previous government's borrowing rate. This is reportedly due to the financial uncertainties

associated with the new government. Would the Treasurer clarify what change has taken place and what the dollar cost of the increased rate will be, and would he clarify why the increase has occurred?

There is also something called syndicate fees. In connection with the borrowing rate issue, there is also the question to be asked about the status of the syndicate services that are used to arrange the province's loans. I would like to ask the Treasurer whether there have been any changes in the syndicates, which are contracted to arrange the province's borrowing, and I would like to ask whether there have been any changes in the fees charged by those syndicates.

In terms of the deficit, the 1990-91 budget forecast a deficit of \$2.5 billion. Extrapolations from the transfer announcements which pegged 1991 transfers at 30% of the budget indicate a \$53-billion budget for 1991-92, which is an increase of \$9 billion from the last budget of the previous government.

The Treasurer has warned that taxes may be increased. He has also indicated, however, that the government's financial position is solid enough to absorb increased deficit financing of required expenditures. I would like to ask the Treasurer how large a deficit he feels the provincial government can safely manage during a recession, what the impact of the deficit increase may be on the province's credit rating and on bond rating agencies, and what the increased cost of the province's borrowing and increased interest payments on the provincial debt will be for 1990-91. In addition, I would like to ask the Treasurer what the interest payments on the debt are projected to be for 1991-92.

We also have the question of money in the contingency funds. They are very, very interesting funds, the contingency funds. In the third-quarter finances, there was a projected revenue shortfall of \$673 million below the spring budget figures. The shortfall projection is reduced \$235 million from the \$908 million shortfall announced in the second quarter finances. This will all be on record.

The third-quarter finances shortfall includes the increase in federal income tax transfers of \$937 million. This increase is counterbalanced by further increased shortfalls in other revenues, specifically revenue from the PST, court taxes, gas and fuel taxes and land transfer taxes, and that is about an additional \$670 million below what was listed in the second quarter finances. Expenditures have increased by \$1.8 billion since the budget. They are up \$242 million since the second-quarter finances.

Now, there is the contingency fund I want to get at. The contingency fund was increased by \$743 million, from \$153 million to \$896 million. This increase was explained as money to refinance the Stadium Corp and to cover doctors' fee settlements and to accommodate other expenditure pressures. I think it is important for us to note that the \$153 million already in the fund included funding for the doctors.

In the third-quarter finances, \$354 million was moved out of the contingency fund and allocated for hospital operating costs and other expenditure pressures. The \$542 million remaining in the contingency fund still includes an unknown amount for doctors' fee settlements and financing the Stadium Corp.

The Ministry of Transportation was allocated an additional \$400 million to discharge a bank loan to do with the 1986 sale of the Urban Transportation Development Corp. This payment was made a year earlier than required and therefore some might say is a questionable allocation of scarce funding during a recession. However, being, if I can use quotation marks, "Blue Floyd" instead of "Pink Floyd" as they were calling you, you appear to want to move in a conservative fashion on that.

I would like to ask the Treasurer to detail how the remaining money in the contingency fund is allocated. I would like him to explain his decision to pay the \$400-million UTDC funds earlier than required. You have done that to a certain extent but you may wish to elaborate on that.

In terms of budget consultation, I think you have allocated people 20 minutes instead of the normal one hour per presentation. If that is not correct, these may have been people who have had only 20 minutes with you and have been chased out the door after that. I am not certain, but I would like you to explain why the budget consultation has been restricted, and there are many who feel it has been restricted this year.

I would like to ask you what information you have about the level and the formula of funding under the Canada assistance plan, the extended health care services funding and the established programs financing, how you see that breaking down. I realize that the federal budget does not come out until the end of this month or next month, but I would like to know about your meetings with the federal minister and the discussions between officials, what you see happening with those funding programs.

The transfer payments you have made reference to. In each case, they are below what the people wanted. That may be no surprise to the Treasurer now that he is in office, but they were also lower on a percentage basis than the previous government's in each one of those cases. I expect that we will be hearing from each of those groups who are so vociferous in their criticism of previous governments, plural, and no doubt they will be at your door reminding you of such things as the 60% percentage of education that your province is going to pay because I know they were very interested in that subject in years gone by and will I am sure, despite the affiliation of their leadership, still be interested in what you have to say in that regard.

#### 1700

So in education it seems to me that you have not made any progress towards that 60% because your allocation is lower than it was last year in terms of the percentage increase. I think people were looking for that, particularly in a year when you have to consider that people must pay their property taxes regardless of whether they are working or not. That is why I think there is a good reason for you to be generous in your allocation to the municipalities and boards of education, the hospitals, and to the universities and colleges as well.

Taking the school boards and the library boards, for instance, your direct grants to library boards and municipalities, it is very important I think that you provide sufficient funding, because these people have to pay the property tax, no matter what. Now, if they are not working, they are not paying as much income tax, and if they are not purchasing, they are perhaps not paying as much sales tax or other consumptive taxes. But the one tax that they have to pay regardless of what happens is the property tax. That is why I think it is important for your government to provide sufficient funds so that we do not see considerable increases in those taxes or appreciable cuts in the services they provide, because those services are often very basic services and they have to meet, for instance, the welfare costs and other costs that people incur during this time of difficulty.

I would be interested to know when you intend to pay 60% of the cost of education and what 60% is, because in opposition I know that your party was very clear on what 60% was. It was 60% of the cost of operating schools in the province of Ontario. I want to know what you are going to throw into that mix and what restrictions you are going to put on municipalities if you give them that 60% of the cost. I will certainly be very interested in that.

The hospitals: I would like to know whether you put sufficient money in to meet the expectations of nurses, who I think most people in this province would fairly agree are underpaid and their services are not appropriately valued. I would like to know, out of the transfer that you have given to hospitals, how the heck they are supposed to pay the nurses what they feel they are worth and what many in our society feel they are worth.

I would also like to ask you what services you feel hospitals should cut in trying to resolve their budget problems and whether the province will allow hospitals to operate with a deficit and whether the province will cover that deficit if that happens.

Colleges and universities: I want to ask you why postsecondary funding is being restricted at a time when the economy is going through a restructuring phase which will see demands for a more skilled work force and I want to know whether your government and your party have changed your policy to eliminate tuition fees and whether there will be an additional increase in future years, since you as a government have increased them by 8% instead of abolishing them, as I used to hear you talk about in years gone by.

I could probably go on at great length, but I know that my time is up, first of all, and that members of the committee will be interested in asking other questions as well. The minister will appreciate I put these on record so that tomorrow his staff and he will be able to develop the appropriate answers.

Mr Daigeler: You can have a good sleep.

Mr Bradley: I am sure you will sleep well tonight as well. In conclusion, I wish you well in your responsibilities. I do not wish you ill, because for the sake of the province of Ontario I hope that you succeed. But certainly

we in the opposition have been disappointed with the beginning that your government has made.

The Chair: Where have I heard that one before? Thank you, Mr Bradley. I note that you are spot-on your 30 minutes. The Treasurer has made note of 27 questions, about a question a minute. I would like to now recognize Mr Stockwell, who has the floor for his half-hour.

Mr Stockwell: Thank you very much. When you follow someone as well prepared as the noble Liberal Treasury critic, it is obviously very difficult. You can appreciate, Treasurer, someone suggests I just go, "Yeah, that goes double for me."

Interjections.

Mr Stockwell: His research was very accurate. I do not think the Treasurer would disagree with any of those, other than possibly the comment about red tape. I think the comment was, "There was political red tape," just to clarify that. But it came out of your mouth and you did not really like the way that sounded so you retracted it and rephrased it to be fair to the Treasurer.

There were a few issues that I think I would like to cover. I will deal with them. There are five or six particular issues I think I would like some comments back from your staff. I am almost certain of what the comments will be. They have been the same comments we have been getting since your party was elected, which were, "Wait for the Fair Tax Commission," or the NDP tax commission or, "Wait for the budget."

I understand that those are very important key components and that sometimes you just have to wait for party strategy and government strategy. The difficulty you are faced with is, you are in a recession that was enunciated by your party during the election and it was very clear that there was a recession and there were certain rules and guidelines that your party lived by and it insisted that those things should be adopted by whatever government was in fact elected.

We speak specifically of the Agenda for People, and I understand it must be very difficult for you to be here trying to defend the Agenda for People. It is practically indefensible because it is just so costly, and I guess that is what it comes down to. Even those in your party, even the most ardent critics, would even soften their approach because it is so costly.

I think we are running around 40%, low forties, in education right now. We can argue about dollars and cents, but let's agree it is billions of dollars to top it up to 60%. I know full well you are not going to do it. I think probably the Liberals pretty much know full well you are not going to accomplish it and I guess everyone is waiting for the words to pass the mouth of the Treasurer that, "Yes, maybe it was a little bit bold to make those kinds of promises and we probably can't fulfil them." You came very close at the transfer payments announcement.

You came extremely close to making that statement, but not quite and you are going to have to in the next few years finally come clean and say, "Gee, I guess we weren't thinking straight when we made that promise." But still, I would like comments from yourself and I guess the Treasury

ministry or whoever thinks up these responses. It cannot take too many people because it is either, "Wait for the NDP tax commission," or "Wait for the budget," so there cannot be any more than two employees working on these.

The other one I would like to have some response on is the difficulties with Algoma and de Havilland, a little bit of a review or where we are heading or how you think it should be going. Algoma, some reports suggest, is only a matter of days from declaring—laying off, going broke, whatever term you want to use, and I think it is timely, very timely, that the government of the day decide what it is going to do, whether it be some kind of bail-out—personally I think it should be something along an equity position in Algoma, getting concessions from Dofasco for purchasing of the product and guaranteed sales and then a privatization option after four or five years, once the equity position is considered a reasonable sell.

I understand that governments in fact have to do that sometimes. I am not such a right-winger that that does not in fact happen, and I understand that government has its place in situations like this, and if you are talking 8,000, 9,000, 10,000 people who would be out of work in a town the size of the Sault, it certainly warrants a review. But I would think the review would have to take place with an equity position, because I do not think there is any point in throwing good money in there, trying to bail out something without some concessions from the unions and guaranteed contracts on buys and a privatization option after your equity position is considered reasonable. But I would like comments from you and your staff as to where we are going. What direction can these people look for from our Treasury minister?

We move on—and those are a couple of highlights. We can go on for ever on the Agenda for People. There are so many promises in there that I do not think you are going to be able to fulfil. I suggest you meet with your ministers too. I find it astounding, literally astounding, and you are really stretching the intelligence of those people listening when the Minister of Education comes into the standing committee on finance and economic affairs and has the gall to suggest that, "We're not certain of the 60% framework, we're not certain exactly what 60% is measured against." I mean, that is insulting, Treasurer, and I think it is insulting to the educators, it is insulting to the opposition parties and it is insulting to everyone. Clearly either your minister is very, very confused or you are taking a very different tack than you did before the election.

And if you are, so be it. no one is going to condemn you for—well, they will, I am certain, but at least have the guts to stand up and say you are changing your mind. Maybe it is not you; maybe it is the Minister of Education, but someone should come clean on that one because it is absolutely an insult to the intelligence of those people sitting on the committee when the Minister of Education starts playing a financial interpretation game with the 60% funding. I cannot accept it and I do not think a lot of people can accept it and I think you are going to very surprised with the educators in this province, because I do not think they accept it.

1710

Some of the more senior people who lean I think to your party may in fact mouth some statements that will make you feel good, but the rank and file do not. I do not believe the rank and file buy into it and I think you would be better off coming clean on it rather than playing this one out

The deficit projections are also very interesting. I think Mr Bradley had commented on the—he called you Blue Floyd actually. I do not think you are Blue Floyd, frankly.

Hon Mr Laughren: Thank you.

Mr Stockwell: Pink Floyd—well, you are not really Pink Floyd. I think you are more like Count Floyd, because we have a \$2.5 billion that is not scary and Count Floyd would be the only one who would be scary when it comes down to these kind of billion-dollar deficits. I think the scariness of this particular deficit projection that I seem to be working towards, and at least the press are working towards, is around \$7 billion.

Now, if we take your announcement last week at its word and we were talking about 30%, \$16.7 million, you know, simple calculations, we will come to around a \$53-billion, \$54-billion, \$55-billion budget. Let's say you have a 9.5% growth rate. I think that is being very, very good to you. I do not think you are going to have that.

Hon Mr Laughren: What percentage?

Mr Stockwell: I said 9.5%, anywhere, 6%, 7%, 8%, 9%. I will give you the top of the range. That still means that you are going to be looking at a \$7-billion problem—big problem, Treasurer, \$7 billion.

You have mentioned in the past about selective tax hikes and so on and so forth. I am not certain that you can squeeze much more money out of this economy. I mean, it is like blood from stone. Say you get another billion out of the economy and selective tax hikes. You are looking at a \$6-billion, maybe \$7-billion deficit. In my opinion, that is very scary, \$6 billion or \$7 billion.

It took the Liberals five years to bang it up \$10 billion. It is like you two are comparing Visa accounts. The Liberals are showing you their Visa card and they say: "Look, in 10 years we banged on billions and billions of dollars. We are the greatest spenders of all time." Then now, your Visa bill has come in and frankly you are embarrassing them. You have outspent them without even starting. You are going to be the number one spenders of all time and Visa is going to love you for it, I suppose.

Hon Mr Laughren: What have we spent?

Mr Stockwell: You are going to spend at least, according to your numbers, and it is 30% of the transfer payments, you are at least in the \$53-billion, \$55-billion range. Now, unless those numbers are inaccurate, unless you are floating some kind of trial balloon that is going to go out there and we are going to look for \$6 billion or \$7 billion in deficit and you come in at \$3 billion or \$4 billion, you know—but that has been tried before by another Treasurer and it did not work out very well.

So I am assuming that those numbers are in fact accurate. That concerns me, \$7 billion of new deficit. It really worries me and it gives me pause to think that this is

exactly how the federal government got into its mess, and it is in a total mess. Everyone will agree the mess they are in; \$380 billion I think they owe. It is no longer manageable; 35 cents of every dollar in taxes I think federally is paid towards the debt. That is not a manageable budget, that is not a manageable bedt and it gives me a great fear that after four or five years and we run up the deficit—because I think it is easier to run up the deficit or the debt than it is to in fact tax the people, and politicians will always take the easier way out, nine times out of 10—that we are going to have a very, very large problem.

A few of the deputants at last week's finance committee meeting outlined those concerns and they were very clear. They were very clear when it came to taxes. I can give you some of the comments. The Canadian Bankers' Association said, "This is not the time to increase taxes"; the Canadian Manufacturers' Association said, "No introduction of new taxes or tax increase"; Ontario Chamber of Commerce said, "They would be particularly harmful in the current environment and should be avoided," speaking about taxes.

So in essence the question is, if the \$7 billion is scary—and I think we will all agree that that it is a scary figure; even the left-wingers would agree that it is a scary number—and we do not want to see any kind of tax increases, selective or not, what are you going to do? If you are just going to implement selective tax increases, and you agreed that numbers above \$2.5 billion may become scary, gee, what do you do about your Agenda for People? You are going to have to come clean in the not-too-distant future, and it is going to be a very sobering day for Bob Rae and the NDP.

The deficit will continue to be the number one issue. In fact I think government debt is going to be the issue in the 1990's, frankly, because it begins to outweigh every other issue. You cannot do anything when you owe too much money. The federal government, for instance, if it wanted to have an antirecessionary package, if it was inclined to go along with some kind of antirecessionary package, there is nothing it could do about it, even if it wanted to, because it owes so much money, because it has no flexibility. I think we have a lot more flexibility than the federal government, but—

Mr Perruzza: Is that not the Conservative Party?

**Mr Stockwell:** If the attitudes, and the attitudes of this particular government, do not change dramatically, we will not have that kind of flexibility in the not-too-distant future.

I am not going to argue with the federal government, just to comment on the comment that was made, but frankly, I do not think the number one person who ran up that debt was a Conservative, to be perfectly blunt. And he certainly was not NDP. So I think it is unfair to slam the federal government for the federal debt. They have added, in some instances, to it, but not to the great extent when it took off in the 1960s and 1970s, to such a great degree. And this is what I fear, here. I do not want us to get into a situation where you feel obligated to carry out your Agenda for People and the only way you can do it is to mortgage my future and the future of my children, because

I do not think that is a very intelligent way to budget. It is a bad way to budget. It is all those things we have talked about, deferred taxes and so on. So if your selective tax increases—it is 30% of the transfer payments and we are looking at \$7 billion, it would be interesting to see what other alternative forms of financing you can see.

Of course, a triple A credit rating might be a little bit of a tempest in a teapot for the amount of money it costs you to go from triple A to double A plus, but it is certainly a perception out there. The perceptions in politics are quite often the most important factors we deal with and I would not want to see us drop our triple A credit rating. It has happened before and we have regained it, and I think maybe we could regain it again, but I would rather see it not drop. But I think it is more important to control the deficit, government spending and taxes.

The other point that I would like to make at this time is about the deficit that you inherited. Again, I think that you had a very difficult job inheriting this deficit for this year because everyone was so happy and frolicking around with this \$30-million surplus.

I guess what it comes back to, and I wrote it down here, is broader political rights for civil servants—gee, I sound like one of you guys, do I not?—and whistle-blowing legislation. This is what irritates me about our \$30-million debt, and I would like you to respond or have staff respond.

Mr Perruzza: Do you mean \$2.5 billion, Chris?

**Mr Stockwell:** I am sorry. We went from the \$30-million surplus to the \$700-million debt to the growing debt from that point on.

I would like you to talk to your staff and find out how the heck that happened. We were in the middle of a campaign and the Premier of this province was waltzing around, talking about balanced budgets and talking about \$30-million surpluses, and getting a lot of votes—maybe not a lot but some votes, on fiscal responsibility.

Mrs Marland: Not enough, anyway.

Mr Stockwell: It is a slam against the Liberals, no doubt about it—fiscal responsibility and all this good stuff, when our economy was going into the dumper.

I am willing to accept the fact that you did not know. You were the critic, okay. No one thought you would be the Treasurer, so probably no one told you. But I cannot believe that nobody told Mr Nixon. But let's say nobody told Mr Nixon and nobody told the Premier that in August and September—it is about the same as having a terrible environment spill somewhere in this province and we are in the middle of the campaign and nobody phoning the Environment minister and telling him. I think it is exactly the same.

Here we are with everyone talking about a \$30-million surplus, ads running on the radio, etc, and we are in debt, big time. I have a great deal of difficulty understanding why somebody in the Treasury department did not pick up the phone and phone the Treasurer, the Premier, and say: "You know that stuff you are mouthing? Well, you better stop because it is not true." I have great difficulty with that.

1720

Whether it comes down to the fact that they did phone them and would not say it, that is wrong; or they just did not want to call them because it was inappropriate and they thought someone would say, "Be quiet," it makes a great case for some kind of opportunity for the civil servants to outline these kind of things that are taking place.

It is not fair to the other parties running in the election, because they are stating a position on financing and economic concerns and debt and all those kinds of things and we are not dealing with the facts. If I cannot deal with the facts, how can I fundamentally run a fair and even campaign and expect to get a reassurance from the people who are electing us that they in fact have all the information before them to make a decision? I am very upset about that and I have held that off until we get a chance to deal with your staff. This is the time to deal with your staff and I am very irritated about it.

I do not know if it is your fault. I do not know whose fault it is, but it is somebody's fault. If it is Mr Nixon's fault, then somebody should say someone told him and he would not clean or someone told Mr Peterson and he did not come clean. If you did not tell anybody, why not? Because you should have.

The other point is with respect to the Fair Tax Commission. Mr Bradley pretty much covered all the real pertinent questions that allow me to go on with this kind of easy-going flow I have about me, I know.

The Chair: Calm and temperate.

Mr Stockwell: That is it. The Fair Tax Commission, the NDP tax commission. I really wish you would strike "fair." Fair to you may be a lot different from fair to me, and fair to this group may be different from fair to this group. I think you would be better off to either call it the tax commission or call it the NDP tax commission or call it the let's go out and gouge commission. I do not care what you call it, but in my opinion it is not the Fair Tax Commission.

I sat through I think nearly every one of the commission members. I said in the House last session that it is going to slanted, biased towards your party. I understand that. This is a political process, this is a political operation.

Mr Perruzza: How can you say that before they go out and do their work?

Mr Stockwell: Let me finish.

The Chair: Mr Perruzza, I do not want to have to correct you again.

Mr Stockwell: This is a commission that was established by your government, and I said before you announced your people that I do not think it is fair, I think it is slanted, etc. And I think it is. Seven have come through so far. Five are in fact card-carrying, financially donating money or working for your party. Five of the seven so far. At least half, probably going to be ending up more than half. I would think you are going to see seven or eight.

Well, 37% of the people in this province voted for you. Probably significantly fewer than that actually carry your NDP membership card. I do not know how it happened that out of 10 people, son of a gun, Treasurer, if you did

not pick six or seven who were card-carrying or financial donations made in their name to the NDP. It is almost coincidental. It is just crazy, is it not, that that happened?

You think that is fair; funny, I do not, and I do not think the other party, the official opposition, thinks it is that fair either. In fact, probably 62% of the people in this province do not think it is fair either. So either drop "fair" or allow us to have an all-party committee pick the people who are going to sit on this commission, because it is not a representative view of the Ontario public.

Further to that, I find it incredible that one of the members—there are 9 million or 10 million people in this province, Treasurer. Was it because you could not find 10 who agreed with your thinking that you had to go to Quebec or was it because we could not find anyone who would be prepared to sit on this commission from Ontario. It seems incredible to me that we went outside Ontario to Quebec to handpick one person to sit on this commission. I cannot believe there is not at least one more person out of the 9 or 10 people in this province who could have sat on this tax commission.

The statement is going to be made, you are going to go forward and tell me that is not a fair comment. But we are talking about education tax, we are talking about home ownership, we are talking about a lot of taxes that have to do with where you live. It seems to me that if you are going to ask people to comment on the tax system in this province and you are going to ask people to suggest ways in which this system can work better, then they should at least have to pay taxes in this province. That is one criterion that I think is universally accepted.

The other points I would like to make on the tax commission or questions I would like to ask are the annual budget of the commission, if the commission will be allowed to travel outside the province at public expense and whether all reports prepared by or for the commission will be open and available to the public. That is very important. I am very keen to find out exactly what everyone thinks on that commission; if there are dissenting views, I think they should be allowed to make those dissenting views very public. If not, then I think it is even more stacked and unfair and slanted than it is right now.

In the end, you are going to get what you want. I could be corrected, but I thought this commission was supposed to report back in 12 to 18 months, when it was initially announced or established. Now everyone is talking three years or 36 months, which is significantly different than what you originally announced. It seems to me that that is a vast difference, considering that I believe all the major tax issues have been fobbed off to this commission. Really, once it gets going, it is going to have a life of its own, it is going to spend a lot of money and it is a monster created. I am not so sure you can grab it and haul it back in.

Public sector restraint, the domed stadium: I agree with those comments. Quickly, I assume the negotiations are not going well with the Dome board. What a shock. You mean these people do not want to give up their equity position and they do not absorb any of the losses? I am surprised. Frankly, I think I could have told you that that committee was a colossal waste of time. It would be interesting to report

back on what is happening, but let me give you a bit of advice: You are not getting anywhere with them.

Public sector restraint program: A lot of Canadian provinces have implemented public sector restraint programs: Manitoba's sector, with the exception of nurses, at 3%, transfer payments to 2%; Saskatchewan to 4%; 600 public sector jobs for the next two years. I would really like a comment on why you will not even examine it. It seems to be an accepted approach in a lot of other provinces, by a lot of other governments, and your Premier last week said it is not even on the books to be looked at. I think that is unreasonable.

If we are in such a deep, dark recession, and it is going to be very difficult to get out of, it seems to me that by holding the line on the government, holding the line on the public sector, you can send a clear message that, "We're in there with you, we're prepared to fight and help you any way we can." And I think taxes are a big issue out there. Whether or not you agree, it still is a big issue.

So those are some of the questions, some concerns. To sum up, it would be very interesting if we could in fact strike what I consider to be a Fair Tax Commission. I do not think this is. I am really disenchanted and I think very disappointed. A lot of people in this province may be very disappointed, because from interviewing the people you have put on this commission, it is not in my opinion anywhere near fair, and not the least bit balanced in its thinking. From your government, "open" and "accessible" and all those lovely words you used—it is a long way from what I consider to be open and accessible.

The Chair: As previously announced, I would like to ask the Treasurer to respond. He has up to 30 minutes, which should bring us right to adjournment.

Mr Elston: Do you allow some interjections here?

The Chair: That interjection is not accepted, or any future ones, Mr Elston.

Hon Mr Laughren: Mr Chairman, if you would permit me to answer some of the questions I made notes on, but there are some that are fairly technical and some that I think warrant a more thoughtful response than I would give off the top of my head; if you would allow us to come back tomorrow with some more appropriate answers, if that meets with your approval.

The Chair: It does.

Hon Mr Laughren: I want to start with—because both the opposition critics spent some time on it—the deficit. I have absolutely no reason to defend the former government or Treasurer; I have nothing to gain by doing that. My understanding, and the civil service can respond if that is the wish of the committee, is that the numbers started to fall apart around the beginning of the summer, perhaps a little before the election was called. But I think you appreciate the time lag there is: those numbers come in, it takes some time to get numbers such as corporate income tax and retail sales tax revenues in and get those dealt with, but by the time the election was called, the numbers, I gather, were coming in and showing that.

1730

I have never said it and I do not believe there was a deliberate attempt to disguise the numbers. Call me naïve if you want, but as I said at the beginning, I have no reason to defend the former Treasurer or his government. It is quite conceivable that the numbers will change underneath me as well as time goes on, and rather quickly. Who knows?

I would wish Hansard to record the presence of a new and charming Chair.

I cannot give you any more than my idea of how the whole thing happened with the deficit, but I can tell you that after 6 September, actually 1 October, when I first walked into the Treasury building, the numbers were continuing to deteriorate. It had not stopped then. The numbers were continuing to deteriorate. I think most objective observers would say that started to happen in the summer, at the beginning of the summer perhaps, out there it started to happen but by the time numbers got filtered through it was well into the summer and of course well into the election campaign. I cannot answer you more than that because I do not know who knew what.

On the size of the deficit, I do not know yet how big it is going to be, because, quite frankly, we have not done any of our tax numbers of what, if any, taxes we will increase or decrease. We are just now going through the estimates process, which some members will be very familiar with, where we are trying to set levels of expenditures by the various ministries. All that is just happening now, and I could not give you the number even if I wanted to. I do not know how large the deficit will be in 1991-1992.

It is very safe to say it will be higher. I do not think that is any secret to anybody. I think, though, that as the capital markets view what is happening I trust they will see that our response is a responsible one and is no less than anyone would expect a government to do in a time of recession. I cannot imagine what some critics would have us do in terms of the transfer payments, for example. Should we have flat-lined them, zero increase? I see my Conservative critic nodding that that is what we should do. I do not know if you have any idea what the impact would be if you flat-lined the transfer payments in terms of, for example, bed closures in hospitals. I have no idea, but I can tell you it would be an enormous number of hospital beds that would be closed, and I know who would be on their feet demanding that we provide funding to open them. You cannot have it both ways in this world.

If flat-lining education, I cannot imagine, with enrolment increases, how you would do that, both at the post-secondary level and in the lower levels of education. While it is very nice to talk about balancing a budget and flat-lining and not having a big deficit, I do not think it is even fair to talk that way without talking about the ramifications of it. To simply get up and almost mindlessly talk about a low deficit and flat-lining makes no sense whatsoever. People out there understand that. People expect us in this province to have a government that has some compassion. The welfare case loads, for example: When they go up as dramatically as they have, what would you, Mr Stockwell, suggest we do? Would you suggest that—

Mr Stockwell: We are here asking you questions.

Hon Mr Laughren: All right, I am telling you that we are not going to do what you suggest. We are not going to flat-line those kind of expenditures.

Mr Stockwell: I did not say health care.

Hon Mr Laughren: Well, you are going to start picking and choosing now, which you were not doing a few minutes ago. If we were to flat-line our transfers to the municipalities, I can imagine what the outcome would be for the property taxpayer, for example. You simply cannot have it both ways, and passing on the problem to the lower level of government as dramatically as the federal government has done to us is not the answer. There is a line we walk provincially with sharing the burden with our municipal partners. There is a line there. We are going to have to raise taxes, we are going to have a higher deficit. I think you would appreciate, most members would appreciate, that it really is going to be a case of sharing the burden during a recession. There is no question about that. I do not think, though, that it is appropriate to talk about flatlining in a time of recession.

In part of the pre-budget consultation, and I will deal with that in a minute, the pre-budget consultation was having people come in and tell me that we should keep the deficit under control, etc, because there are automatic stabilizers out there that are looking after the problem. I do not know how many single parents with kids on social assistance have ever known they were labelled an automatic stabilizer, but that is what they are called, and when the bottom falls out of the economy and the federal government changes its rules on unemployment and more and more people go on social assistance, the province provides that safety net, which, so help me, we will always be there to provide, I hope—because you tell me what the alternative is for those people. There has simply got to be that safety net.

I do not like it either. I do not like the fact that that is the only alternative. That is one reason we believe very much in the Transitions report, the SARC committee report, because it talks about that transition from being on social assistance to being employed, and that is an honourable principle and an honourable goal and we stand by it. It is doubly difficult in a recession, when you have an increasing number of people going on social assistance and you are trying to reverse that. It is very frustrating and very difficult and very hard for the municipalities to handle as well, and the local property taxpayer.

I can tell you that when we established the transfer payments levels, it was keeping all those things in mind, at the same time fully anticipating that when the federal government brings down its budget in the next month or so—I do not know the date—it is going to make it very difficult for us again. This year, this 1991-92, what the federal government has done to Ontario is about \$1.3 billion less than we should have been able to expect from it on the established programs financing transfer payments which provide for health and post-secondary education and the social services—\$1.3 billion. So you can put the blame for whatever the deficit is going to be, you can put at least

\$1.3 billion right at the doorstep of Michael Wilson in Ottawa, and, I might add, you can also put a good part of the blame on his federal monetary policies as well. I do not know how much of it, but some of it, not to mention the free trade agreement and the dislocation that is causing. You are laughing, but I want to tell you—

Mr Stockwell: Sure I am. You are blaming them every day of the week.

Hon Mr Laughren: That is not true. The free trade agreement is causing a restructuring of our economy to go on right underneath us with none of the programs being put in place that the federal government assured us would be there as a result of what it knew would go on in our economy. I am not blaming everything on the free trade agreement, but I am saying that is part of it. You combine all of the things the federal government has done and you have to realize, if you are fair-minded at all, that it is at least partly to blame for this recession and for the deficit we are going to have.

I wanted to spend a minute on the Agenda for People. I have never seen an NDP document so fondly held by members of the opposition. I have never seen anything like it. It is a remarkable document and what I have said to everybody who will listen to me—

1740

Mr Elston: We actually got our copies that were thrown out of the window of the seventh floor of the Frost Building.

Hon Mr Laughren: The Management Board end or the Treasury end? Anyway, on the Agenda for People, there is nothing in the Agenda for People that I—and I have read it—

Mr Stockwell: I believe it.

Mr Elston: I know.

Hon Mr Laughren: —that I would refute. I believe in the principles that are stated in the Agenda for People. At the same time it would really be misleading to say that we intend to implement the Agenda for People in this term of office. We will do, and I am quite serious about this, what we can in this term but if the economy of the province continues to be sluggish—we know that 1991 is mostly gone in terms of recovery—if it is so sluggish, it is going to be a slower timetable than we had thought it would be.

When the Agenda for People was written and presented and taken across the province, the belief was that we would be able to do that. I think most of you would agree that the economy has deteriorated substantially since then. No politician likes to live with broken promises. Despite the cynicism some people have of politicians, it is very painful when politicians make promises they cannot keep.

The Agenda for People laid out a series of promises that we really believe that we could keep and I still believe that we will keep. The question is, when? I have no illusions that we can do it in the next couple of years. I have no illusions about that at all, but there is nothing in the Agenda for People that I do not believe in. I think the principles in there are sound. Some of the things, even if

we were able to do a lot of them, we would hold back on now because there is an examination going on such as the Fair Tax Commission, and such as the process of the municipalities and the province looking at their relationship one with the other.

Even if we could afford some of these things, we would be holding back on some of them anyway because we want to consult with our partners out there. Just so that you are comfortable with our position on the Agenda for People, it is that we still believe in the Agenda for People, but we also know that the timetable has been changed and that we are not going to be able to implement it in the way we thought we could. It is as simple as that.

The pre-budget consultation I should mention because that was a decision we made. I gather we started the pre-budget consultation a little later than in previous years, although I am not certain of that. I was taken aback by the number of groups that wanted to come in. There were literally hundreds wanted to come in and talk to the Treasurer and in looking at—

Mr Elston: The same ones you used to talk to in opposition.

Hon Mr Laughren: No, I never met an investment dealer before I became Treasurer.

There were so many that we had to make a choice. Either we restricted the length of time that each of the consultations was or we did not see as many. So it was one of those tradeoffs. I can remember chairing committees not unlike this one, and Mrs Marland remembers that too—

The Vice-Chair: I will never forget it.

Hon Mr Laughren: I digress.

Mr Stockwell: Sounds like it was good for you, Margaret.

Hon Mr Laughren: Enough of that—in which we had the same problem where groups wanted to come before the committee on an issue or a bill and we had to make a decision as to how short of a time frame in order to fit as many as we could in. In Treasury what we did was not in 20 minutes, to be fair. I think last year they were an hour; that is what they tell me. We restricted them to 30 minutes and we think that is reasonable. It does impose a certain discipline on the parties and on us in our responses to them. I know it would nicer to have an hour but we have cut it down to 30 minutes. I think somebody said 20 minutes. I do not know whether it was Mr Stockwell or Mr Bradley.

Mr Stockwell: I didn't even know you met with them.

**Hon Mr Laughren:** That is not true. It is not 20 minutes; it is 30 minutes.

On the question of the \$700-million package and the red tape, I do not recall using the words "red tape," but I have not checked Hansard yet to see. Maybe I can clear it up a bit. When the \$700-million package was announced, we said we wanted it to be part of a package that local governments had sent in—either school boards, municipalities or ministries—in proposals. I think you would agree that it is necessary to consult with people to see whether or not those are still priorities because perhaps those priorities

could have changed, by school boards, by municipalities, by hospitals, by ministries and so forth.

That took a little while, but I do not consider that red tape. That is simply consulting in the way everyone expects us to consult, to make sure the priorities are still there.

Then the operations committee: We set up the criteria for which ones would be selected. The operations committee, which is a cabinet committee on which my esteemed parliamentary assistant sits, looks at the projects and makes the very difficult decision on which ones to fund. As soon as that was through, as soon as that was done, they were farmed out to the specific ministries.

I am sure that Mr Christopherson will correct me if I misread how the operations committee of cabinet worked, but that is how it was done. I think now it is about \$300 million or more that has been approved. Maybe even more, Mr Christopherson, has been approved. Then we get them out there as quickly as possible. There is no red tape in it. It is a case of once that announcement is made, the municipalities, the school board, the hospital, whoever, then decides. in some cases, I suppose, they have to put out contracts. I do not know what all they are doing, but at that point then the process of the work starts as quickly as possible; the quicker the better as far as we are concerned.

But we do not have any bills yet coming in. It is the bills that you pay that go into the budget, so I do not think it is an appropriate criticism. I do not mind if you criticize it, but believe me, the faster we can get those out there, the better. We were not trying to delay it at all. We were trying to get it as fast as we could and I think the operations committee did an admirable job.

So it was not a case of red tape; it is a case of going through a process of making sure that the projects that they were going to approve were still priorities by our partners out there. That was why we did that and I hope that clears up the problem. It is not a case of bureaucracy slowing things down. If anything, you could say we consulted perhaps when we could have done it arbitrarily, but I do not think you would want that tradeoff.

On the question of the Fair Tax Commission, I must say that I was very disappointed in Mr Stockwell's comments, although he has a right to express them. I am not disappointed in them because they were of a partisan nature so much as for other reasons. We tried very hard to select 10 Canadians who were representative of this province. I think that if you go out there and talk to any sector you want to—whether it is the Canadian Manufacturers' Association, the Canadian Bankers' Association, the chartered accountants—and give them the names of the 10 commissioners and ask them if they think that is a representative group from the province of Ontario—ask them. We did. We asked them that. We consulted widely with different sectors out there before those people were selected

We made sure there was gender balance. We made sure there was regional representation. We made sure there was a francophone on the committee, a visible minority. We tried very hard. The various sectors are represented on that as well. We spent a lot of time making sure that was the case. Those were our priorities when we set up the Fair Tax Commission.

When the people who were doing all of the digging to find people who would do this—believe me, it is not everyone who will serve on a Fair Tax Commission like this because you want to get people who have expertise, and often they are very busy. The 10 people who volunteered to serve on this commission, I am very proud of. Not once while that process was going on did I ask anyone if he was a member of the New Democratic Party. I did not ask the staff that; I asked no one that. I knew personally, I think, 2 people out of the 10. I did not know them in a social way at all either. I had met, I think, 2, maybe 3 out of the 10.

It was not some kind of personal selection that we went through and it certainly was not a party selection that we went through. It was trying to get a mix of people who would comment objectively on the tax system in the province of Ontario.

The fact that one person works in Ottawa for a public sector union, the Public Service Alliance of Canada, we wanted someone from the public sector unions. The fact that one happens to live across the river in Hull, I find it passing strange that this would be seen to be unacceptable. There are a couple of taxes that person would not pay in Ontario, I assume, such as income tax and property tax, but I would assume that the other nine pay those and that she pays all those other taxes that we pay in the province of Ontario. I think to criticize someone who lives across the river is really inappropriate. I could make the argument that it is not a bad idea to have someone from the province of Quebec who is exposed to the Quebec tax regime as well.

I think it is a good cross-section of people whom we have chosen for the Fair Tax Commission and I would ask you to go out there, if you do not believe me, and talk to people in the various sectors and see what they think. nd I think that you will be perhaps surprised, but I think you

would find that they meet with virtually everyone's approval and that it is not a stacked deck.

I can tell you another thing. When we were designing a model for a tax commission and we were talking to the people, like the chairs and the vice-chairs and so forth, they took a look at the model we were proposing and they said, "If you want us to serve on this commission, here are some changes you'd better make." They are toughminded, independent-minded and insisted on those changes and we made those changes, because I think they have a right to insist on that.

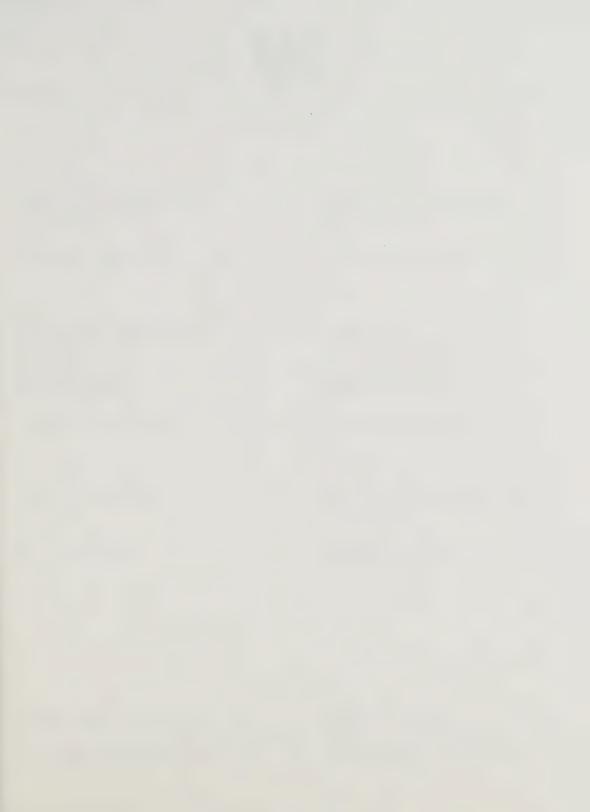
That is another reason why we have not made a lot of announcements about what the Fair Tax Commission is going to be doing, or about its priorities, because I think it should be making those decisions. We will be giving them direction, and already have, on the areas of taxation and so forth, but I am not going to tell them how to run their show. We are providing a secretariat that will help them with research and so forth, but we are not going to be messing around with them.

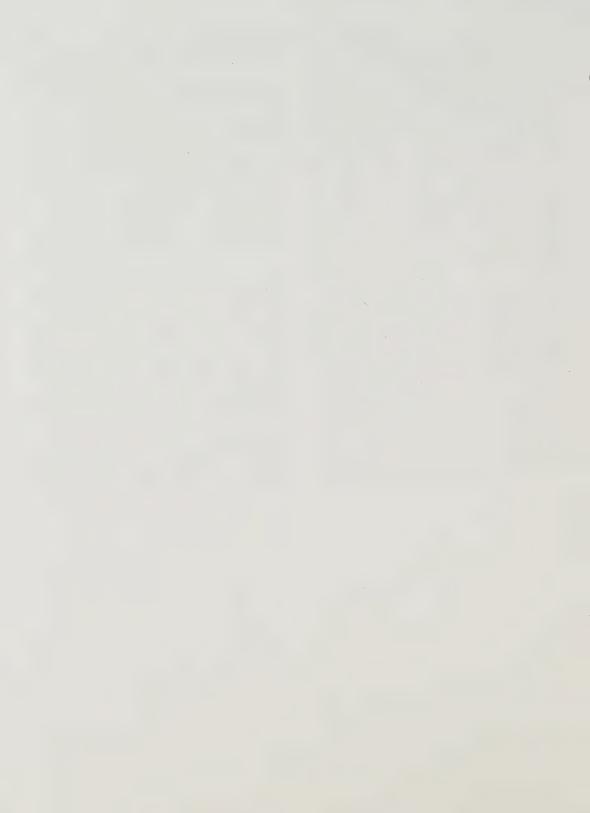
It is going to be an arm's-length commission. We very much want this commission to have a legitimacy out there and that is why I stress the fact that I think the business community believes in this commission. They believe it is fairly struck and that there are some people, of course, who will not like certain aspects, but I think that overall it is going to be a commission that has legitimacy and the respect of people in Ontario from all sectors.

I will conclude my remarks with that and I look forward to tomorrow when I will come back and join you.

The Vice-Chair: Thank you, Treasurer, and this committee now stands adjourned until 10 o'clock tomorrow morning, at which time we will begin with our questions and answers, rotating through each caucus for 15 minutes per caucus, as we have done with the other estimates.

The committee adjourned at 1754.





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## Legislative Assembly of Ontario

First Session, 35th Parliament

# Official Report of Debates (Hansard)

Thursday 14 February 1991

### Standing committee on estimates

Ministry of Treasury and Economics

## Assemblée législative de l'Ontario

Première session, 35º législature

# Journal des débats (Hansard)

Le jeudi 14 février 1991

### Comité permanent des budgets des dépenses

Ministère du Trésor et de l'Économie

Chair: Cameron Jackson Clerk: Franco Carrozza Président : Cameron Jackson Greffier : Franco Carrozza

Editor of Debates: Don Cameron

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#### **Table of Contents**

Table of Contents for proceedings reported in this issue appears at the back, together with a list of committee members and other members taking part.

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#### LEGISLATIVE ASSEMBLY OF ONTARIO

#### STANDING COMMITTEE ON ESTIMATES

#### Thursday 14 February 1991

The committee met at 1008 in room 228.

#### MINISTRY OF TREASURY AND ECONOMICS

The Chair: I would like to call to order the standing committee on estimates for the Ministry of Treasury and Economics. We have completed almost two full hours of our allocation, and I believe that at this point we are going to commence a regular form of rotation, if that is comfortable with the committee. However, if the committee wishes to—

Interjections.

The Chair: At this point, we are establishing the ground rules for the balance of estimates, so if I had your attention, I would not have to repeat it. I am asking you for concurrence with how we will proceed with the remaining time. Do you wish to have a caucus allocation or do you wish the Chair to ensure that the discussion, which can pass from any number of individuals, be equitably distributed?

Mr Perruzza: Caucus allocation.

The Chair: I did not ask everybody at once, Mr Perruzza. I recognize Mrs Marland.

Mrs Marland: I think that the balance of this week, the early part of this week, worked very well with a caucus allocation and rotation of 15 minutes each. I think it is easier for the Chair. Otherwise, we might end up with an imbalance at the end, so I suggest that we do that.

Mr Daigeler: I agree with that.

Mr Hansen: We agree also.

The Chair: Very good. The Chair will be so guided. There are four votes to be completed, and I wish to be guided. If you wish to stay on certain vote areas, it is generally helpful to the Treasurer.

I should advise committee members that the Treasurer and the deputy contacted me a week ago and the Treasurer has an unbreakable commitment this afternoon and therefore has advised me that he will be unable to be with us this afternoon, but his parliamentary assistant will. I share that information with the committee simply so that those wishing to ask questions directly of the Treasurer in each of the four vote areas might do that this morning. Does everyone understand what I am suggesting? Very well. Then if you wish to be guided by the votes, indicate which vote area and, if not, that is fine as well.

Mr Stockwell: If I can just ask a question, Mr Chairman, maybe I am out of order and you can correct me, but I understand that it is possible for us to call people for this afternoon to answer some questions as well. Is that correct?

The Chair: It is if the Chair is given sufficient notice so that the clerk can determine if those persons you wish to call can conveniently attend.

Mr Stockwell: Maybe the clerk can investigate. My request is for someone from the Dome negotiating committee. It does not have to be the chairman; it can be any one of the members. But I think it would be of great interest to the committee and the people if we could just find out how it is going and I would like to ask some questions to whoever it may be. Hopefully, it is our chairman representing us; if it is not, then whoever is most able to come forward.

The Chair: I could ask the Treasurer or the deputy if it is possible to have someone who is currently engaged in the Dome discussions, which you referred to yesterday, to respond to questions in that area. That was the question and request of Mr Stockwell.

Hon Mr Laughren: Do you want me to respond, Mr Chair?

The Chair: Yes.

Hon Mr Laughren: It is a very unusual request and one that I think you should reconsider. In the middle of negotiations between the negotiating team and the consortium—and I mean in the middle of the negotiations; they are meeting on a regular basis—I think it would be very unfair to the process to ask them to come in and come before the committee. If the deal was done, that would be one thing, or if they had not started, it would be another thing; but in the middle of negotiations, I urge you to reconsider that request.

Mr Stockwell: I appreciate the comments from the Treasurer and I certainly do not want to jeopardize the negotiations that are taking place, but considering that it has been struck now for four months, that it has been announced and really there has been no update, I do not feel that I have a great comfort level on what is going on and what has taken place. If there are any questions that anyone considers to be probing or publicly could embarrass someone, then I suggest they can simply say, "This is not appropriate," at the time. But there are some concerns that I have. I appreciate what the Treasurer has said, but I would request that it stand and, if in fact some questions get to the point where it is a little too inquisitive, then just say so.

Hon Mr Laughren: May I make a suggestion that Mr Stockwell put his questions to myself or Mr Davies, who knows about the negotiations as well? We will do our best and we will see how you feel after that.

The Chair: Very good. Mr Hansen.

Mr Hansen: I would rather have the vote at the end on all four votes and that gives the opportunity to the opposition—I know Mr Bradley wants to ask the Treasurer questions on quite a few of these different areas. If we lock ourselves in while the Treasurer is here, then the opposition will not have a chance to actually forward those questions

1020

right to the Treasurer, so we would go with being wide open and would take the four votes at the end.

The Chair: It is hard to imagine that Mr Bradley has any more questions but, be that as it may, it is a good suggestion. Mrs Marland.

Mrs Marland: Mr Chairman, I wonder if, through you, I could ask the Treasurer—I understand what you are saying, Treasurer, about the people who are negotiating and I accept that argument about the Dome. But I am just wondering if there is not someone else on the Dome Corp board that we could talk to. I respect the answers that you and the deputy can give. But I think that because of the situation with the Dome, which you have referred to in a very sincere way on a number of occasions about your concerns, that some of the questions we may want to ask are maybe not fair even to ask you because you have just come into this five months ago.

There may be questions that we might like to ask even about where they have been coming from philosophically in the management or non-management of the Dome. I think if there are questions, as Mr Stockwell says, that are simply inappropriate, the person who would be responding would say, "Well now, that is an item that has now been negotiated." But because it has got a tremendous impact on where you are with your money, I think it would be very worth while to have someone from the corporation's board here from that very narrow perspective and that long-term experience with the corporation.

The Chair: If I might just offer some clarification, our House rules indicate that during estimates we cannot discuss matters that are currently before the House. It is from that loose interpretation that the Treasurer has the right to express some concern with respect to the uncompleted nature of the discussions. He is prepared to discuss those—that is what I understand—to the extent that he is able.

I can also say from precedent, when I was not in the chair, I requested that John Kruger attend to discuss some matters that were rather delicate. The Chair and minister of the day were agreeable to Mr Kruger presenting himself to the committee for my cross-examination. I think at this late hour, though, perhaps your staff might check on the availability of these individuals, but in the meantime we could proceed with questions in this area to the Treasurer and his deputy.

Hon Mr Laughren: Could I add one—

The Chair: If we could proceed on that basis, then we can get into the question and answer. Treasurer, and then Mr Daigeler.

Hon Mr Laughren: I will take your direction without prolonging this debate, but I think if it was a case of wanting to talk to the chairman of the Dome, that would be one thing. If that was the case, it would be better before the standing committee on government agencies, where I think they have appeared in previous years. I see no problem with that, but I am really worried by the request to involve yourselves in the negotiations, because presumably you would want to ask them about the negotiations. It is why you want to have them here. I find that—

Mrs Marland: No.

Hon Mr Laughren: Why else would you want the chairman of the negotiating team here if you did not want to ask him about negotiations?

Mrs Marland: Well, I say, with respect—

**The Chair:** Excuse me. I have Mr Daigeler and then Mrs Marland.

Mrs Marland: The Treasurer just asked me a question.

Hon Mr Laughren: Mrs Marland is being argumentative.

**The Chair:** Mr Bradley asked extensive questions but he will get answers in proper order. Mr Daigeler.

Mr Daigeler: I think we should be permitted to comment from our point of view. I agree with the Treasurer that the purpose of this committee is to review his estimates and his work, and if there are questions with regard to the SkyDome, I think, as he indicated, either public accounts or government agencies would be the proper committee to do so.

With regard to the negotiations under way, again I agree with the Treasurer that they are obviously highly sensitive and if there are any questions with regard to government policy, I think the proper person to direct that to is the Treasurer. Unless the Treasurer feels that useful information can be brought forward with regard to his own perspective by representatives of the SkyDome, I do not see the need to in any way, shape or form engage in a discussion of the SkyDome at this committee.

Mrs Marland: I really do not see very much difference between having somebody here from SkyDome in the Treasury estimates than having the chairman of Ontario Hydro here during the Energy estimates. For that reason we are requesting that at least we find out who is available, and we would expect that there would be no discussion in the area of negotiations. We did not discuss the area of the environmental assessment hearing in terms of Ontario Hydro so—

The Chair: Thank you, Mrs Marland. I think the Treasurer has indicated that his staff are checking availabilities, and in the meantime he and his deputy will do their very best to respond to your questions directly. I would like to proceed if I may. Mr Daigeler, I am going to ask you a sensitive question. Would you like to yield and I will return to your time spot?

Mr Daigeler: No, I think we will start out—

The Chair: Very good. I am sorry. I just wanted to take your guidance on that. Please begin, Mr Daigeler.

Mr Daigeler: First of all, Treasurer, I am rather appreciative of the fine line that you have been walking with regard to the deficit that we are facing. Up to this point, I think you have been rather circumspect in the way you have phrased this without necessarily blaming the previous Treasurer or, on the other hand, accepting too much responsibility yourself. So I am thankful in that way.

The press has not been equally careful in where to put blame. I think you have been clearly saying that there are elements of the \$2.5 billion that are clearly due to your own decisions. In fact there are some very substantive figures here that can in no way, shape or form be put on Mr Nixon's shoulders. However, it is kind of convenient for the press to say, "You inherited a \$2.5 billion deficit and therefore you cannot do very much about it."

Let me ask, first of all, why was it so absolutely necessary to retire that \$400 million debt for the Urban Transportation Development Corp? As far as I understand, that was not needed at this point yet. Why did you decide, when you knew that the recession was coming on, to spend \$400 million on that particular matter?

The Chair: Please proceed.

Hon Mr Laughren: You want a response to that?

Mr Daigeler: Yes.

Hon Mr Laughren: Well, I suppose the argument could be made that we did not have to. On the other hand, the debt was there. It is a clear obligation. The interest payments were ticking away at about \$1 million a week as I remember, and paying off the debt would effect savings in the interest payments. To have that sitting there, just as a crown corporation with only debt and no assets or no revenues, made no sense whatsoever, it seemed to me. It is not as though we created it, but we moved something forward that was just sitting there waiting to be paid off, with the interest payments just ticking away. I just could not see how that made any sense.

Second, I would use your argument about the deficit that, if the deficit was what it was and getting bigger, it seemed to me the sooner we paid it off the better. I had no hesitation on that whatsoever. It seemed to me that that was obviously a judgement call. Just like the previous government made a judgement call not to put it in the books. But I felt very strongly that it made a lot of sense to pay it off. What purpose was served by having this shell there with no purpose in life, just a \$400-million debt? It made no sense at all to me.

Mr Daigeler: I have no objection to retiring the debt eventually. I question the timing however. You say: "Well, it has been sitting there. Why not pay if off?" But you knew that things were turning quite dramatically downwards. I question the timing of it on top of the other \$500 million that you are forgoing now and this time every year by not charging the provincial sales tax on top of the federal sales tax.

Again, this is a decision I respect. You have been elected to do that. From a philosophical point of view you disagree with doing this and you have that right.

However, at the same time, you said yesterday that welfare loads have increased by \$500 million, and you yourself said this is a very substantive number. So why are you forgoing as Treasurer \$500 million every year and blaming everybody else, including the federal government, of course, for not having enough money? I have a very hard time understanding that you, as Treasurer, because of what I can only call ideological reasons, are forgoing that kind of revenue when the needs are so pronounced at all levels of our society. And I refer as critic for Colleges and Universities to the terrible transfer announcements you made with regard to that sector, which in fact is the lowest of all the transfer agencies.

So here we are. You gave \$400 million for the Urban Transportation Development Corp, and then \$500 million annually by not collecting a revenue that was already in place. I can only conclude from that that you are planning to raise that revenue through other taxes somewhere else in the budget. I am quite nervous about what you have in store, because ultimately revenue has to come from somewhere. Again, other than for party policy reasons, why did you forgo the \$500 million every year?

Hon Mr Laughren: What better reasons could there be?
Mr Daigeler: Better reasons would be the needs that are so crying across the province.

Hon Mr Laughren: No, I do not want to be frivolous about it.

First, I want to go back to your question about the UTDC, if I might. By paying it off—the interest that was being paid, the bank rate, was higher than what our costs are for interest, for our borrowing costs. With the deficit, obviously you can look at it as a package, if you like, which I think is what you are doing. The estimates we had were that we would save about \$2 million a year by paying off the UTDC obligation.

On the retail sales tax being applied on top of the goods and services tax, that was one of those issues on which, quite frankly, we campaigned, and knowing you would be highly critical of us—

Mr Daigeler: Those are promises you did not want to break.

Hon Mr Laughren: —if we broke a single promise from our campaign, we thought we had better live up to that one.

**Mr Daigeler:** Did you read the newspapers today?

Mr Sterling: Which one was that?

Hon Mr Laughren: Never mind. On the other hand, it is a fact that by not charging the RST on top of the GST it does leave in the pockets of Ontario citizens almost \$500 million a year. Next year, because of the decreased economic activity, it is around \$470 million, as I recall, but that is close enough. It is almost \$500 million. But it does leave more money in the pockets of citizens who we want to be spending money in 1991-92. Also, the fact that we had campaigned very hard against the GST and did not want to come in and just slap the RST on top of it as one of our first acts as a government—to be quite blunt with you, that was why.

I appreciate the fact that it is \$500 million, believe me, that we are not collecting. I understand that.

**Mr Daigeler:** I hope so. Do you have any calculation of how much money you have lost to date by not charging the provincial sales tax on top of the GST?

Hon Mr Laughren: No, I do not. I do not know that answer.

The Chair: Is there someone on staff who—

Hon Mr Laughren: Give me in terms of January, February. It would not be very much at this point because of the numbers. We do not even know what the numbers will be. It will just be January.

Mr Daigeler: Let me move on to another subject. You mentioned yesterday the possible impact of the Gulf war on your fiscal position. I have some difficulty, quite frankly, in seeing how that could affect the Ontario economy significantly. Could you explain this a little, what might be a possible impact?

1030

Hon Mr Laughren: I was referring to, and it may be more than what I was referring to, the price of oil. If the price of oil goes very high, there is a projection of what the cost to the Ontario economy is if the price of oil goes over a certain level; I think it is \$30 a barrel. If it goes over \$30 a barrel, it costs the Ontario economy so much in terms of jobs. I do not have that number in my head. If somebody from Treasury does, I would appreciate that number for Mr Daigeler, but that was what I was referring to.

Mr Daigeler: Rather the reverse has happened.

Hon Mr Laughren: Exactly.

Mr Daigeler: So hopefully it will have a positive impact as well.

Hon Mr Laughren: Right. That depends on the length, I think.

Mr Daigeler: Talking about the tax commission that Mr Stockwell was quite concerned about yesterday and the appointments, let me say first of all that I strongly disagree with Mr Stockwell in terms of not appointing people other than from Ontario. I personally feel that the position put forward by Mr Stockwell shows what is wrong with our Canadian system. At a time when we are supposed to break down barriers, I do not want to criticize at all the appointment of someone who does not live in this province. I do hope you are looking at the expertise the person brings. As you are a fair-minded person, I hope that is what you are looking at—at least you claimed that was what you were looking for. In fact, I would have no objections to bringing experts from other countries who can give us good perspective on what a proper tax system is.

However, certainly in my area there have not been that many complaints—perhaps the reason is that there are not many NDPers in my area—about the fairness of the system. There have been complaints, yes, about the level of taxation. I do not know who you have been listening to about that great hue and cry across the province—

Interjection: Bob White.

Mr Daigeler: —that the system of taxation is so unfair. What I have been hearing is the high level of taxation, and people are very concerned that you are going to increase tax rates substantially. I would like to hear from you who these people are who have been crying so loudly, other than your own party members, to reform the tax system in this province.

Hon Mr Laughren: First of all, I appreciate very much your comments on the appointments to the tax commission and the fact that one of the commissioners lives in Hull. I appreciate that perspective very much. I agree with you that it is important that the people who are appointed to the commission have a variety of perspectives on the tax

system and some expertise as well, and I think we have a very good mix. I feel very good about that.

You ask who is complaining about the tax system? I think most people in the province do not think we have a fair tax system. There are those at both ends of the income scale who do not think we have a fair tax system. I hear it all the time. I hear the business community tell me it is not a good tax system either.

I think that built into your question was the assumption that the only purpose of the tax commission is to raise taxes, rather than perhaps shift them around and, in some cases, benefit someone. I do not know. I do not want to presume the conclusion of what the tax commission will recommend, but I do not think I am referring only to, as you call them, party members who are concerned about the tax system. Talk to anybody out there and they will tell you they do not like the tax system, so I do not think it is fair to imply that it is only a certain group of people who are opposed to it.

The Chair: You have about a minute left, Mr Daigeler.

Mr Daigeler: I will take the final minute. We are coming back to this: one of the great concerns we have, obviously, and I am sure you share it, is the recession and what we are doing for the people who are suffering, who are beginning to be more and more out of work. In my area, the region that has been most affected, in fact before the recession set in, is Cornwall, and I am wondering whether you have looked at that area. What are your plans for eastern Ontario in particular? Can you be more specific on how you are fighting the recession and the layoffs in particular?

Hon Mr Laughren: I do not have the breakdown of all of the \$700-million anti-recession package with me, but I can tell you that one of the things—I mentioned this yesterday—that we tried to be very sensitive to was the level of unemployment in various communities across the province. There is no question that communities that had a higher level of unemployment, welfare case loads, were given a higher priority than those communities that did not. That was a tough job, because there are a lot of communities in the province hurting; Cornwall too. I appreciate that. So that was one of the things—

Mr Daigeler: Can you give us a breakdown by region of how this is being allocated?

Hon Mr Laughren: I think we can. As a matter of fact, so far I know that approximately 30% was in northern Ontario. I would have to get help on that, but I think there is a breakdown somewhere so far of the allocations. They are not all complete, but I think we can give you that as of today. As of today there has been \$84 million in announcements made already under the program. We will try to get you that breakdown by region, because I think it is a fair question because we were worried about that.

Mrs Marland: When you announced the transfer payments on Monday, there was quite a glaring omission, that being the transfer payments to the conservation authorities. The conservation authorities are very concerned. They have been waiting with bated breath, shall I say, to see

what the new government is going to do for them. They certainly had some cause for concern based on where their transfer payments have been in the last few years. They have a tremendously important role and responsibility in the province, as you are aware. Certainly in the region of Peel, the Credit Valley Conservation Authority, under the excellent direction of general manager Vicki Barron and an equally excellent board, has a tremendous amount of work to do that is actually mandated to it provincially, and that is the same with every conservation authority in the province.

With the responsibility, on the one hand, that the provincial government gives them to protect and preserve and make sure our watersheds continue to function, while dealing with new development in those water courses and preserving the adjacent properties from erosion and downstream damage from upstream development, etc, etc, the programs of the conservation authorities are very extensive and very important to all of us, and we would like to know why the transfer payments were not announced with the other transfer payments this week.

Hon Mr Laughren: It is my understanding that—and I am just learning this—the grants to the conservation authorities are part of the conditional grants announcements that go to the municipalities and that they were not announced. They are being worked on, because there is a lot of detail involved in those. That is part of the delay we have been going through. That is why. There is no other reason. Right? The same reason that the conditional grants to the municipalities were not announced applies to the conservation authorities, because they are part of that.

Mrs Marland: So when can they expect the announcement?

1040

Hon Mr Laughren: I think not before the budget.

Mrs Marland: When is that?

Hon Mr Laughren: I hate saying this because—by April, I hope. That is our goal, to bring the budget down in April. There has been no date set or anything like that.

**Mrs Marland:** Is that before you file your income tax return?

Hon Mr Laughren: Oh, leave me alone.

Mr Stockwell: I just want to deal with a statement you made yesterday and trace it back to the election. It is a

little more political, maybe personal.

You add the nuts and bolts of the budget itself. I would like to know whether you personally find it difficult now, considering that during the last election the then Premier, Mr Peterson, went on the campaign trail and said to you more of the same, etc, and your leader took Mr Peterson to task for not fulfilling all his campaign promises. I do not like using this word, but this is the word that was used: They called him a liar, which is very harsh and to the point.

**The Chair:** It is unparliamentary.

Mr Stockwell: I am not using that word. I am not calling anyone a liar. I am just repeating who said that. Having said that, your comments yesterday were very clear that you do not think or you are almost certain that

you will probably not fulfil all your campaign promises this term. With all due respect, your leader did not say that in the election. There was a certain immediacy attached to the Agenda for People. Considering that your Premier called the previous Premier a liar for not fulfilling all the promises, how do you rationalize in your own mind not fulfilling your campaign promises this term?

Hon Mr Laughren: I am sure you would be the first to beat us up, verbally of course, if we did fulfil all those promises at this point. I cannot imagine what your reaction would be if we said we were going to implement the Agenda for People in our first term.

Mr Stockwell: Probably very true.

Hon Mr Laughren: We are fearful of your reaction.

Mr Daigeler: Are you so scared?

Hon Mr Laughren: We are, we are. But I am not kidding when I say what the reaction would be if we said we were going to implement the Agenda for People. It would be very costly, and at this point in time we simply cannot do it. There is nothing strange or mysterious or dishonest about that. We have not gone back or reversed our position on any of the principles in the Agenda for People. I have not heard anybody in government go back on the principles involved that were outlined in the Agenda for People. If, on the other hand, we said, "Oh, that was just election rhetoric and we're not going to do any of those things, forget it," that would be inappropriate. But we have not revoked our belief in any of those. Many of the principles in that Agenda for People are principles which this party has stood for for many, many years and we are not about to reverse our position on those principles, but I think the people of Ontario understand very clearly that we cannot implement the program of Agenda for People in this term. I think there is a clear understanding of that. I do not think they want us to or expect us to.

Mr Stockwell: It is very interesting that when the previous government did it your leader accused them of being liars, yet when you do it you are responsible. It is kind of an interesting interpretation on what you have in the way of campaign promises.

There is a little bit—more than a little bit, there has been a lot of talk about the future of this country and how we are going to continue on, and in exactly what capacity Canada will be in the future. I have some concern with respect to the federal debt and who is responsible for the federal debt, should that uneventful day come when we start splitting up the debt.

Mr Curling: Mulroney.

Mr Stockwell: Apparently. Well, frankly, I would be perfectly happy if he were responsible for the \$380-billion debt, but I do not think he will be. We have somewhere around a 43% responsibility from a financial point of view in this province. Has anybody anywhere in—it is PD day for the Treasury department.

Hon Mr Laughren: It is PD day for the Treasurer.

Mr Stockwell: For the Treasurer. Have these people here thought about what kind of debt responsibilities we would absorb should it come to that, and what kind of revenues we would get, or increase, become responsible for, and how that would reflect in revenues and debt? Because I have great concerns. It seems to me we are going to be around \$180 billion to \$200 billion in debt that we would have to absorb, and if that is going to come down the road in a year or two, I kind of would like to know if anyone has even examined whether or not we are capable of carrying that kind of debt load.

Hon Mr Laughren: I do not like this kind of discussion, although it is totally legitimate—I am not making a comment on your question, Mr Stockwell—because it almost implies an acceptance of, or the inevitability of things happening which most of us very much hope will not. I remember a scientist telling me one time that when you observe some matter, it changes just by the act of observance. I get very nervous about trying to do an accounting of what will happen if Quebec separates, so I try and avoid the unpleasantness of that kind of examination.

I am not sure how helpful it would be to have a discussion about the accounting that would occur if that did happen. I do not want to get into a debate on what happens if Quebec separates, because I think there is that sense of assuming it will when we start engaging in that kind of debate and I do not want to make that assumption.

Mr Stockwell: Certainly I do not want it to happen either.

Hon Mr Laughren: No, no one was suggesting that.

Mr Stockwell: But I tend to be somewhat pragmatic about these things, and money tends to come down to a lot of important issues when you are dealing with these kinds of difficult problems. I could only ask that someone in your department could at least reflect on that and suggest what we would be looking at, because I think we are in for a very, very difficult financial period. I do not know if that is a reason to stay, if anyone would consider that a reason to hold or bind us together or not. Maybe it would be, but I think it would be difficult for the people in this province. I think we as a responsible government should be addressing things that I think are at least within reason, and that to me appears to be within reason today.

**Hon Mr Laughren:** To be fair, the Treasury is looking at the whole question of the cost of—

Mr Stockwell: Okay. I would be interested in seeing what the response is. That is basically it. The Fair Tax Commission I was pretty clear about yesterday, and we have a fundamental disagreement. That is life.

The Dome: The Dome has been on the back burners now for some four or five months. I still recall the throne speech and the comments from your Premier about fair and open and accessible government and I think there are some people who still believe him.

So I would ask you, the domed stadium is probably the most secretive of all information I have investigated, of all the information I have tried to extract from the bureaucrats, etc. Really, what I would like to know is, when is the Dome deal going to be tabled, the history, what the deal for the consortium members are? When can this be so public that I am allowed to review it and see what kind of

decision or what kind of mess, maybe, the Liberals got us into, or the Conservatives before that? I am not sure.

Mr Curling: That's where the mess starts. 1050

Mr Stockwell: But the question needs to be asked. You are out there negotiating a new deal, or people who are representing you. You are out there negotiating a new deal. I do not know what the old deal says, so if you come back to me with a new deal, how do I know it is any better than the old deal? Because nobody has told me what the old deal is. So I would ask, (a) when do you think this will become public and (b) when will you at least give us some kind of interim report on whether or not we are going to have a new deal? Frankly, I do not think we are, but from the limited bit of information, I cannot give you a qualified judgement on it. Those are the questions on the Dome.

Hon Mr Laughren: First of all, I do not see any problem with sending you a package of material which does explain the deal that was there. I cannot think of any reason for not doing that.

Mr Stockwell: I could not get it before, I will just say that. I phoned and asked for it.

**Hon Mr Laughren:** I cannot think of a reason. Mr Davies is closer to it than I.

Mr Stockwell: I find I get a little more information at these meetings than I do just making phone calls anyway, so that is good.

Hon Mr Laughren: We will try and put something together for you, because I am inclined to agree with you that it was a public deal, if you will, and there should be access to it.

On the negotiations, all I can tell you is that I am not personally doing the negotiating. We have appointed that negotiating team and I think you know who is on it. It is Bob White, Bruce Kidd, Paul Morton, who is chairman of the Stadium Corp of Ontario now, Richard Peddie and Ronald Fournier. Those are the members of the negotiating team and they are working away and doing negotiating. That is all I can tell you. I do not know whether we are going to come up with a satisfactory arrangement either, but I can tell you that the sooner we can do it, the happier we will be to get that whole deal behind us.

Mr Stockwell: Well, I appreciate the information that you could send me, and yes, I do know who is on the committee and it will be interesting to hear the report out. I guess my time is closing in.

The Chair: We have expanded to 20-minute segments.

Mr Stockwell: Just for us. Thanks so much.

The Chair: For everybody. You may lose it if you refer to it that way.

Mr Stockwell: Personally, I kind of get the impression that your government is dragging its feet on this one because it does not want to be known as "buyout Bob." You know, you have a lot of background on corporate buyouts and government involvement and you have kind of sold out, I suppose, when it came to Consumers' Gas.

You took an about-face on a couple of issues. Varity was the hold-the-door-open-and-let-them-go while they passed you \$50 million on the way by, so there is a certain degree of uncertainty as to what your party's policy is with respect to government takeovers or assistance.

It is now getting down to the short strokes and I still see some muddling, some different ideas being floated by your government, your Labour minister. I think they are saying one thing and your Premier is just basically not saying anything, which is really unusual because he has never been at a loss for words on any issue, except since he became Premier.

My question is, where are you on Algoma? When will you have a response? When will you let the people of the Sault know what the heck you are doing? You seem to be wallowing around on this one quite badly.

Hon Mr Laughren: It is one of those issues that causes a lot of anguish. As you know, I think, Algoma has a debt of about \$800 million and Dofasco has said it is writing it off. They have a particular cash squeeze now and they are looking for money. As a matter of fact, it was in the Financial Post this morning, a story about Algoma looking for \$60 million to help it over a short-term cash squeeze, a temporary cash squeeze they call it, and they are looking for money, things like loan guarantees, because they are in the process of selling a coal property in the United States for about \$100 million. That is the public number they are using, which I assume is correct. And they are looking for help from the federal and provincial governments.

As for the federal government, Mr Bouchard has announced that it is going to make a decision soon, which I think is this week. I cannot speak for Mr Bouchard, but I think he said they wanted to make a decision soon on it.

I think you are correct when you talk about not wanting to be seen as bailing out companies, because where does that end? So we feel that there is an obligation on the part of Dofasco and the banks to help in this process and to help in the restructuring of Algoma, not just a temporary measure that keeps Algoma afloat but one that helps it restructure so that it, I think, inevitably will be a leaner organization and a smaller, downsized organization.

So that is where we are now. The negotiations go on and we are trying very hard to get the banks to play a larger role in the restructuring of Algoma.

Mr Stockwell: Thank you. Basically there is really nothing more to add at this point in time.

Hon Mr Laughren: No.

Mr Stockwell: It seems incredible. I firmly believe that if you were in opposition at this time, your leader would be in the Sault probably organizing marches to have the government buy this operation out.

Hon Mr Laughren: That is the role of the opposition.
Mr Stockwell: Is it? My goodness. I cannot believe that.

Hon Mr Laughren: I expect you to keep the heat on.

Mr Stockwell: What a role reversal.

**Hon Mr Laughren:** It is called honourable opposition.

**Mr Stockwell:** Honourable opposition. Okay, then we will try to be honourable.

Hon Mr Laughren: Loyal opposition.

Mr Stockwell: The other question is on the \$700-million capital works program that you boost to \$1 billion with local municipal taxes.

Hon Mr Laughren: If they wish to.

**Mr Stockwell:** If they wish. Of course if they are going to participate, then they have to kick in their share. I think I understand that.

I talked to a few municipalities, at least within the Metro region. Now your Treasury department is talking about spinning out of this recession by the second half of 1991, potentially the fourth quarter as worst-case scenario. I am not so sure how much stock you can put in Treasury numbers, but pretty much everybody has in fact suggested that. I am not suggesting that they are incompetent. I am saying one party. There is a whole series of parties who are saying the same thing.

The capital works project: I talked to local municipalities and they are putting these numbers into the capital works program. I spent eight years on local council so I understand pretty well how those capital works programs work. You get them approved in February and March. You have to go to the Ontario Municipal Board and get them approved, so you will not get them on stream until April or May, just to go to engineering, architecture, etc. So that is going to take probably the summer.

Most of the people I talked to in local government, which includes the chief administrative officers, etc, do not believe that any of these programs or projects are going to hit the works, are going to be involved in actually hiring people to construct these projects at least until the end of 1991, if not early 1992.

Now, can you give me some actual data or actual jobs that are going to take place previous to September 1991—I mean physical construction take place? The only thing that is going to be helped out, I think, under your program will be engineers and architects because they are the only ones who are going to be working on these projects previous to autumn. Can you tell me what makes this project so different that it can speed up the capital works programs of municipal governments, because I do not know anyone who has a capital works program in year 1991 approved and construction that takes place in the same year. Very, very difficult. I have not seen it too often.

Hon Mr Laughren: I wonder if you would allow me to ask Mr Christopherson, who serves on the operations committee that is allocating the programs. Could you speak to that?

Mr Christopherson: Certainly. Thank you.

One of the criteria for approval in the program is that the projects have to be ready to go, that there does not need to be any OMB approval, that there needs to be no permit approvals that would hold up the project. In fact, a number of projects could not be considered that were very exciting and fit every other criteria because indeed they would not be done in the time frame that we have targeted. So your point is correct if we were looking at new projects,

but these are projects that are on the shelf, that would ordinarily be done in the course of time but that we are accelerating for the purposes of the goal of the antirecession package.

1100

Mr Stockwell: Can you give me an example?

The Chair: I am afraid your time is up, but if the Chair may be permitted a minor moment—Mr Hansen is just recognized next—Treasurer and Mr Christopherson, yesterday before this committee on estimates a question was asked of the Minister of Community and Social Services with respect to what percentage allocation her ministry would garner from the total package, and she informed this committee that that decision had not yet been made. Perhaps on behalf of the committee it could be asked when you will determine the allocation by ministry, or if you have a plan to have a schedule of allocations by ministry. I am just asking that on behalf of the committee since it was raised from our previous estimates, and it was referenced that it should be put to the Treasurer, as I recall.

Mr Stockwell: Yes. Really, that is my question. Give me an example.

Mr Christopherson: Well, I do not think it is appropriate for me to give an example of a specific project since those decisions have not been finalized and gone through cabinet and ready for public release.

Interjection.

Mr Christopherson: No, I think that is fair, because as I understand cabinet procedure—

Mr Stockwell: No. I did not know that it did that. I thought that was the process.

Mr Christopherson: The other thing is that it is my understanding and expectation that at the time the program is announced, there will also be announcements by ministry. So the breakdowns will be available at the time that all the public announcements are made, and I expect that very soon.

Mr Hansen: I see it is Valentine's Day today. I wind up at a point that I look at my own family, and when I came back from Christmas, I had my Chargex card, and it wants 22.5%. And if I did not have enough money in my family to pay all the bills, I would have wound up going back and maybe borrowing money from the credit union at a lot lower interest rate. I think this is exactly what this government has done, if that is not the reason for the Dome, etc; that this money was refinanced in a different area. I think we look at this as consolidating debts, so we know where we are at, paying a lower interest rate, if I am right.

I do not call my wife a financial wizard, but she looks after most of the bills. And I did not mean that you are a financial wizard, but I think that you have come up with that and we have to take a look sometimes and take a look at the figures. They always take the zeros off the end, so \$1 million is only "1" and then an "M" after it. It comes down to the same thing.

There is a question I have. I believe in 1980 or 1981 the former government brought out a program of reducing

or taking off the sales tax on certain sectors, with the auto or furniture, to stimulate the economy here in Ontario. Not knowing all the results, just as the consumers at that time, I purchased furniture. I purchased a new vehicle. I took advantage of that, which actually spurred the economy.

And we take a look at Algoma in Sault Ste Marie, which at one time—and I do not know exactly yet if they make a plate for auto bodies. We have to take a look at getting the economy going, kickstarting it. If we had a period of time—and we are talking about these grants coming in now—if we had something else kickstarting it also.

There is another concern also. There are three of us sitting here I know who are near border towns, and that 8% that is not being collected at the border is hurting the merchants in our particular area. If we did come in with some program like this, it would give an advantage to the border communities at this time if they were buying in Ontario. Can you make any comments on it, if there are any plans to kickstart the economy as it is right now in this area?

Hon Mr Laughren: I am sure Frank Miller would be happy to hear your comments because he brought in that program of selected retail sales tax cuts. No, there are no plans. On the other hand, I hasten to add that that would be a budgetary measure which you are referring to and we are just starting that process now. We wanted to get the major transfers. Now it is behind us and now we are starting to get serious about planning for the budget and any kind of tax measures that we might take. I cannot give you an answer, not because of budget secrecy or anything like that. Simply, we just have not started that process yet.

I appreciate your comments on the cross-border shopping. Every time I go to a caucus meeting on Tuesday evenings, I get beaten up about cross-border shopping. We have looked at that problem, and we are working with the Ministry of Revenue and hoping the federal government will tighten up its collection at the border, to start with. I would be happy if it would also collect the 8%. People are supposed to pay the 8%. It is like an honour system. While Ontario citizens are honourable indeed, they sometimes forget to send in their 8% on the purchases.

It is a concern in the border communities, there is no question about that. But it is very complicated in trying to resolve that. I am not sure how to do it. If members of this committee have some advice, quite seriously, I would like to hear it. To set up a parallel tax collection agency at all the border crossings—I think there are 14 in the province—would cost us a lot more than we would ever collect, so that would not make sense. On the other hand, if we could talk the federal government into collecting the 8% when it collects its tax, it would be helpful. But why would it do that? It is one of those issues that bedevils us, but if committee members have some advice. I would sure listen to it.

Ms Haeck: My worthy colleague from the other part of St Catharines raised some rather interesting points yesterday. One of them that has always been interesting to me is to hear about how the budget is put together, that there are various groups that come to you and consult with you

about how the budget should be framed and what the final figure should be. From your comments, I take it that in reality you try to see as many people as possible, but I think this would be an opportunity to reconfirm to everybody how consultative you have tried to be in this particular event.

Hon Mr Laughren: We are trying, but to be fair, previous governments went through that process as well. We are trying to see as many as we can, and I also see the Fair Tax Commission as being a major part of that whole consultative process. I look at the American model, not of government so much but its budget-making, which seems to be much more open, with all parties involved, compared to our system here. I do not know how to do that. This year there simply was not time to change the budget-making process very much. I have always wondered about the necessity for so much secrecy around the budget. You have to be careful on some things, where somebody could take advantage of a tax measure and so forth, but generally I have never understood why there is so much secrecy.

The other thing is wrestling with the role of the standing committee on finance and economic affairs: What is a more meaningful role for that committee to play? I have said that to the committee when I have gone before it, because traditionally I am not sure it was that meaningful a role. I do not say it in a mean way; I just think it was not that meaningful.

I do not have the answer at this point, but I would like to find a way to make that committee more meaningful, perhaps put questions to the committee, for example, to say to the standing committee: "You know we have a problem with revenues and expenditures. What is your advice to us on any tax measures you propose for revenue purposes, or tax cuts, or what expenditure cuts should be made, or what new expenditures should be launched?"

I am not trying to abandon responsibility of government or Treasury in this regard, but simply to get more advice from members of the Legislature, from all parties. In the end, responsibility of government and cabinet is to act, but I do not think there has been enough advice sought from the standing committee over the years, and I would like to see that changed.

1110

Ms Haeck: In that process of receiving advice, do you use that in prioritizing, say, where moneys are transferred? Obviously, there has been some concern within the opposition about, say, the amount of transfer payments received by some areas. Mr Daigeler talked about colleges and universities; somebody else may raise the issue about health. Is that consultative process used for setting priority?

Hon Mr Laughren: I hate to use the phrase, but in the world of politics there is that old expression that the squeaky wheel gets the grease, and you do not like to fall into that trap. At the same time, when members of the Legislature bring matters to your attention that are really important and make their case well, of course you have to and I think should consider that.

The Chair: That occurs in cabinet.

Hon Mr Laughren: Yes, that certainly occurs around the cabinet table as well. So yes, it does make a difference. When I was in opposition, I never felt it did, but I really think it does.

By the way, if I might digress a moment, Bob Welch Sr said to say hello to you. I saw him this morning.

Ms Haeck: Thank you very much.

**Mr Hansen:** As the minister is only here for a short time, we will relinquish our additional questioning time and hand it back to the opposition.

Hon Mr Laughren: Thanks a lot.

**Mr Hansen:** Jim Bradley had 27 questions yesterday. I do not know how many he has today.

The Chair: The Chair appreciates that direction. I would like to recognize Mr Bradley and—

Mr Bradley: Before I launch into my questions, a matter of procedure: I am not trying to be miserable this morning; it may look that way. I do not believe estimates should be done with a parliamentary assistant. I understand the minister has other obligations. I think the committee should meet those obligations or accommodate them. I am quite willing to do that, but I am not willing to participate in estimates with a parliamentary assistant. That is a departure. I have never seen it done before. I understand that in bills it is done that way, I understand that in the House it is done that way, but I certainly do not think a parliamentary assistant should be answering the questions for Treasury. I am willing to accommodate the schedule of the Treasurer in any way possible. I do not want him to have to cancel something to be here.

The Chair: The Chair would like to apprise the committee that it has been done before. Mr Bradley has shared his discomfort at the process, but I must assure the committee that it is a process which has occurred. I know personally that the Treasurer has difficulty responding to questions when the person who asks the questions may not be able to be in attendance at that time as well, so it does work both ways for all parties. The Treasurer did advise—

Mr Bradley: Except that when you are a cabinet minister you are paid to do that.

The Chair: Excuse me, Mr Bradley. Certainly in the previous six years we have seen occasions when members of a previous cabinet had to act in a similar fashion, and the Chair and the committees have always been flexible and respectful of that. Would you wish to proceed with questioning or do you have another procedural comment?

Mr Bradley: I will proceed with my questioning.

The Chair: Thank you. Then proceed.

Mr Bradley: The first is on the issue of free trade and what you are going to do about free trade. The gentleman who is now the Premier of the province indicated that he would put the blocks, in any way he could, to free trade between Canada and the United States, that he would not implement anything under the jurisdiction of Ontario, and gave an indication, certainly previous to assuming his present office and perhaps even a few days after, that he was going to block free trade, that is, American-Canadian free trade. I want to know what you are not implementing

and how you are blocking the implementation of the free trade agreement.

The second thing I would like to deal with is the issue of the Mexican free trade. Once again, the Premier has indicated he is strongly opposed to it. He was the person who called the last Premier a liar because he did not fulfil, he said, the promise to block free trade. He ridiculed this circumstance. What are you and your government doing to block free trade with Mexico as well?

Hon Mr Laughren: It is a federal trade agreement—

Mr Bradley: Oh, yes, federal. Funny that you did not say that before.

Mr Daigeler: Even Floyd is smiling. It must be tough to say that.

Hon Mr Laughren: We have announced as clearly as we can that we are opposed to the North American free trade agreement. Having seen what we have seen already with the Canada-US free trade agreement, we are very worried about bringing Mexico into it as well. While I would not put all the blame of our recession on the free trade agreement—I think that would be simplistic—I do think that the restructuring that is going on, with companies leaving and so forth, can be partly attributable to the free trade agreement, and that will continue if we bring Mexico into it as well. I am concerned about it and we have said very clearly that we do not want the federal government to negotiate this agreement.

One body of opinion is that we should be at the table simply to protect our interests as a province. I do not think we would be invited anyway, but I do not think that would be appropriate even if we were, so we are doing what we can to convince the federal government that there should not be a North American free trade agreement.

We know that there are some external studies going on concerning the North American free trade agreement. The Ministry of Industry, Trade and Technology is more involved with this than we are. I know there is a proposed study being co-ordinated by the Centre for International Studies at the University of Toronto and that Industry, Trade and Technology is also doing a study—I think they are finalizing it now—a survey of labour and business attitudes on the North American free trade agreement.

It is hard on that one, because there are no terms we can study. There is nothing at this point that we can comment on with any kind of detail, because there are no terms that are available. No one has any illusions about where we stand on the Canada-US free trade agreement. We took a position in fierce opposition to it and your government took a position of some opposition to it, so it is a matter of degree, I guess.

Mr Bradley: I interpret the answer as being that you are not doing anything to block the implementation. All the rhetoric of your Premier is exactly that, rhetoric, and you are not going to do anything to block it.

Hon Mr Laughren: No, that is not fair. You are being terribly partisan. If you are talking about the North American free trade agreement—because you are talking both. I do not know if you are switching back—

Mr Bradley: I am talking about the US one. You are not doing anything to block the implementation.

Hon Mr Laughren: If there is anything more we can do, we would sure like to know. We would seek your advice on that, Mr Bradley, because we still believe it is not in either the country's or the province's best interest. We feel very strongly about that.

Mr Bradley: I will interpret the answer as I see fit, and I have interpreted it in the way I have indicated to you, that you are not doing anything to block it, that there was rhetoric on the part of the Premier. That is my interpretation. I understand yours may be different.

I want to go to the NDP tax commission for a moment. To go back to that—

Hon Mr Laughren: It is not the NDP tax commission. It is the Fair Tax Commission.

Mr Bradley: How can you expect to get a fair result from the NDP tax commission if it is so stacked in favour of people who philosophically think the way you do and belong to your party or are supporters of your party? If you really wanted a commission out there to—you would have a better cross-section, I suggest to you, of the province of Ontario. If you do not, that is fine. When you win, you have the right to implement. I do not deny that, and I think you have every right to implement whatever you want.

My criticism of the Fair Tax Commission, as it is with the government agencies committee, is that you give the appearance of doing something different from what people have done in the past. This commission, if it is stacked with people—I am not saying they all have that point of view; they do not. You have put your token people with the other points of view on it, but if generally the majority think the way you do and your party does about the tax system in Ontario, how are you going to come up with a fair tax result?

1120

Hon Mr Laughren: First, I would like to know your interpretation of a stacked committee. What numbers would make you feel more comfortable?

Mr Bradley: I just think that if you had, first of all, a geographic cross-section of the province, it would be useful. Eight of the 10 members either work or live in Toronto. As your leader said some time after meeting with Metropolitan Toronto, he said something about, "There's a world outside of Metropolitan Toronto." That is not to denigrate people just because they live there; do not get me wrong. But I think there is a danger, that all governments can run into, of becoming very Toronto-oriented.

Hon Mr Laughren: I agree.

Mr Bradley: You can call it the province of Toronto instead of the province of Ontario. I am concerned about that aspect of it. Second, from the people we have interviewed in the committee so far, there is a pretty strong socialist strain in that particular group. I am wondering how you can expect to get all points of view equally put forward if you are going to have that strain of socialists. I do not say "socialists" in a negative way.

Hon Mr Laughren: Oh, no.

Mr Bradley: It is a legitimate party. You have been a socialist for years and I have admired some of the things you have done.

Hon Mr Laughren: First of all, you are making an assumption that the commissioners are going to bring to us their ideas on the tax system. The tax commission is going to be structured in a way—I want them to make the announcement of exactly how they want to break down the commission and the kinds of groups they will have working on various issues, because they have some ideas of their own in that regard and I want them to do that. But I can tell you that there is going to be an enormous amount of consultation and working with the various sectors out there, so it is not simply a case of—even if they were all New Democrats on the tax commission. I would be surprised if half are, but I do not know that, I have not been at the committee and I have never asked the question.

Mr Bradley: I have.

Hon Mr Laughren: I am sure you have. You are much more partisan than I am.

It is not going to be their views that come up to Treasury; it is going to be the ideas of the commission as a whole as it worked across the province and got views from the various sectors out there. When the whole thing is seen to be at work I think you will be pleasantly surprised about how consultative it is, and how it is not a stacked commission. I know you think it is. I think you genuinely believe that; I do not think you are posturing for one minute. I think you really believe it is a stacked commission, but I tell you it is not a stacked commission. We worked very hard to make sure it was not. I think you will see that as they do their work across the province and as they engage in a process, I would be willing to bet they will be more consultative than any tax commission has ever been in this country. I have no hesitation in saying that.

Mr Bradley: I am glad to see you are an optimist these days rather than a pessimist.

Looking at tuition fees, the parliamentary assistant to the Minister of Colleges and Universities is here. She no doubt would agree with my—

Ms Haeck: Thank you, do not put words in my mouth.

Mr Bradley: Although I should not put words in her mouth, she would no doubt agree with me that the NDP has talked about abolishing tuition, having free education from cradle to grave or somewhere close to that. We now see with their transfer payments this year that there is going to be an 8% increase in tuition fees. How do you square that with your philosophy of free education for almost a lifetime?

Hon Mr Laughren: Philosophically, I have no hesitation in saying that I have always felt that, just as years ago we removed barriers to secondary education, it would be nice to remove the financial barriers to post-secondary. It seems to me that society has evolved to a point where that is where it is at. At the same time, I know the cost of running the post-secondary system is high and that what we ask the students and their families to bear is about—I could be out on my percentages—17% or 18% of the cost

of education. I think it is below 20% of the cost of a post-secondary education, and in some cases I would think it is less than that, in some of the professional schools. I do not have those numbers in my head, but I suspect it is less. I think it is a case of walking that line of the proportion that students and their families pay and that society as a whole pays.

I have always felt that the progressive tax system is the answer to post-secondary education, not tuition, because everybody out there benefits from an educated workforce, whether they have been through the post-secondary system themselves or not. There are lots of people out there who have done very well in Ontario, but who themselves do not have a post-secondary education and that is the way it should be.

That is why I lean towards that kind of system, but I think there are people who will make the argument on the other side, that the people who go to university generally tend to be people, a lot of them at least, whose families can afford to pay tuition as long as we have in place a system of assistance, the OSAP student awards program, that is strong enough to help those people who do not have the financial wherewithal to pay their way without an enormous amount of hardship.

I think that as long as we have a good OSAP system in place, which probably needs reforming quite frankly, and I think we need to give the minister a little bit of time to do that, I do not fret too much about the fact that there are still tuition fees that pay for less than 20% of the costs.

Mr Bradley: And if those fees continue to increase?

Hon Mr Laughren: They have not continued to increase as a percentage of the cost of a student's education, to be fair.

Mr Bradley: The other issue in education is that your party said it was going to pay 60% of the cost of education in the province of Ontario for boards of education, no matter what the cost was. I never heard you or your party ever put any qualifications on it. All I heard was 60% of the cost of education. So when my local Ontario Secondary School Teachers' Federation representative asked about this, saying that the NDP was prepared to do this, I guess that representative believed that you were actually going to do that. Could you tell me what your latest definition is, now that you are in power, of 60% of the cost of education.

Mrs Marland: The Liberals said that too, did they not, in 1987?

Hon Mr Laughren: It is a moving target.

Mr Bradley: I have heard that answer before.

Hon Mr Laughren: At the local level—I am trying to remember the answers that came across from the other side—

Mr Bradley: That is right.

Hon Mr Laughren: —when we asked the questions of the former government, which also made that promise, as I recall.

Mr Bradley: Yes.

Mrs Marland: And did not keep it, as I recall.

Hon Mr Laughren: That is right, they did not, and I remember that—

Mr Bradley: But you are different, you see.

Hon Mr Laughren: I remember-

Mr Bradley: The whole point is that you people have—

Interjections.

The Chair: The Chair cannot handle all this additional help at once. Could we please let the Treasurer let us know his version.

Hon Mr Laughren: I certainly do not regard that as a mischievous question, Mr Bradley, for the simple reason that you made the same promise yourself, so I know it has caused you some anguish to even ask it, but it is a fair question.

Mr Bradley: That is right. You see, I look upon you as having a halo. That is what I heard on the government network, that you have a halo.

Hon Mr Laughren: Really? Not me.

Mrs Marland: It is the reflection from his silver hair.

Hon Mr Laughren: It is getting worse.

**Mr Mammoliti:** It is better than having horns.

Hon Mr Laughren: There is no question that I could not tell you what the cost of going to 60% would be, but it is in the billions, and I feel the same way about education as I do about post-secondary, that most of it should come from the broader tax system. I do not think that we are going to do it in the next couple of years. That is obvious, I think, because of the problem.

Mr Curling: You need two terms.

Hon Mr Laughren: Yes. I never thought of that actually. The people had better elect us—

The Chair: The Treasurer may treat that as an offer.

Hon Mr Laughren: The people had better elect us for more than one term if they want to see that—no, I had better not say that.

Mr Bradley: It will be in the paper.

Hon Mr Laughren: Yes, that is right. But I do not know when we will be able to do that. I think you appreciate the fact that we certainly cannot do it, given the economic times in which we find ourselves.

**The Chair:** Mr Bradley, to help you, you have about five minutes left and Mr Curling had a brief question.

Mr Bradley: Thank you.

1130

Mr Curling: Minister, through the Chair, if there is anyone in the NDP caucus or government, or any minister whom I have a great respect for, it is you, sir.

Hon Mr Laughren: I do not want to hear this question.

Mr Curling: We have sat together in committees and you have chaired committees and I tell you that you have handled it exceptionally well and fairly. When the people's agenda, that is, the Agenda for People, came out and I saw the words "principles" and "realities"—or the budget came out; well, the throne speech where it appeared—I thought

you had a hand in that, with those two words, "principles" and "realities." Then I gathered too that it seemed to me realities took over principles and principles seem to have gone out the door themselves, with the reality you cannot honour some of the things you have done. In general, in a percentage way, do you feel that the realities now have completely wiped out the principles? It is right, as Mr Stockwell said, that because of some of the statements that were made by the previous Premier, he was called a liar. Do you think some of your realities will come up to the fact that we will almost say the same conclusion, that you may not honour 75% or 80% of your agenda?

Hon Mr Laughren: Let me assure you, Mr Curling, that reality has not wiped out a single principle contained in the Agenda for People—not one. What reality has done, however, is make us realize that we cannot implement that Agenda for People as we thought we could or when we thought we could. There is no question about that. To pretend otherwise would be simply foolish. I am sure you appreciate the fact that we, and I, regret that very much, because there is nothing in there that we would not like to do and do not intend to do when we can. But it is not fair to say that reality has wiped out those principles. That is not fair, because we still stand by the principles that are contained in the Agenda for People.

Mr Curling: I want to put a specific question here now. You said that in a budget presentation or so there should never be any secrecy or—I mean, there should be some to protect us from the economic realities that could happen. During the last couple of months, listening to the landlords and tenants and listening to some of the groups that have come before us, some of your ministers and members and even your Premier had stated that it is the intention somehow that for those landlords who are in trouble, quite possibly you could buy out some of those landlords who have difficulty.

The question I want to ask is twofold: Do you see the private sector playing a role in housing, especially in the rental market? Do you see the private sector playing a role here? The second part is, is it your intention to buy out all these landlords whom you perceive to be in difficulty and increase your stock? As a matter of fact you are now the largest or the second-largest landlord in North America. Do you intend to increase your stock by buying out the private sector?

Hon Mr Laughren: First of all, we certainly do see a major role for the private sector in rental accommodation. I do not think the government wants to squeeze out the private sector. I think that would not be appropriate. Our goal is not to impose some kind of wage control system that makes buyouts attractive. That is not the goal of the government. The goal of the government is to put in place a rent control system that is fair to tenants, that is designed in such a way that it also encourages investment by developers in the rental accommodation sector. We feel very strongly about that.

I know, from having travelled the province with you on rent control legislation on a committee, that you have a feel for this that a lot of people do not, and I suspect—if I recall some of your comments in the committee—that you share my view that tenants do need to be protected in the market, particularly when there is a supply problem.

I hear the argument some times that the reason there is a supply problem is because there are rent controls. I have often heard that argument. But I would remind you that there was a supply problem which caused rent controls to be brought in in the first place back in 1975, I guess it was. So that argument, to me, does not hold too much water. But it is important that any kind of rent control system is not so punitive or draconian that it discourages investment in the rental accommodation sector. I feel strongly about that and I know the Minister of Housing does as well.

I do not know whether this committee is hearing from the Ministry of Housing or not.

The Chair: Unfortunately not.

Hon Mr Laughren: I was going to urge you to save some more specific questions on rent control for that ministry because it would be more appropriate. But anyway, that is how I feel about rental accommodation and rent control.

Mr Curling: Thanks.

The Chair: Treasurer, it was raised at length with the Minister of Community and Social Services regarding the Social Assistance Review Committee recommendations, which found some difficulty with rent control legislation and its attention to poor tenants in the province. There was a discussion with the Minister of Community and Social Services.

Mrs Marland: Treasurer, yesterday afternoon in response to my colleague Mr Stockwell, who is the Treasury spokesperson for our caucus—

Hon Mr Laughren: I know.

Mrs Marland: I want to give him his full title in Hansard because he works very hard and very conscientiously in that role and is very capable.

In response you said that you would not flat-line the budget and I can understand your response. I understand where you are coming from on that. When government is faced with the kinds of situations your government is now because of external forces over which you have no control, I am wondering what assurances you can give us that you will prioritize in terms of human need first. I can give you some examples that I found particularly appalling in the last three years of government in Ontario where we had new programs introduced, very expensive programs, I might add.

Perhaps one example might be where class size was reduced for grades 1 and 2 across this province while over half the population in the two school boards in the region of Peel—I do not have the percentages for other school boards, but certainly the Peel Board of Education and the Dufferin-Peel Roman Catholic Separate School Board in the region of Peel—is now in some form of temporary accommodation.

In Mississauga South, we have an older elementary school in the separate school board, St James School. If you were to tour that school, and I will be extending an invitation to you and to the Minister of Education, as I did

to the former Minister of Education and Treasurer—excuse me, they never did extend the courtesy to those parents who wrote hundreds of personal letters. They did not just sign petitions; they handwrote the personal letters and the children handwrote personal letters. I am quite confident that at least, I think, you will be willing to come and visit that school and I am optimistic that the Minister of Education might as well.

1140

If you were to see this school and the conditions under which the teachers have to operate and the students have to attend their daily classes, this school looks more like something that would be a temporary school in a summer camp in northern Ontario where children would come in the summer to go to school and it was not the permanent school. I feel, if we are going to recognize that Queen's Park is not a money tree, and I think in fairness all of us do—we recognize the nonexistent money tree here and the whole financial structure down here is as much our money as yours, and if it is not there or it is needed it still can only come from you and ourselves and our other taxpayers.

I think what the taxpayers are saying in Ontario today is, "We know you can't be all things to all people." I think that is where the former government failed in not being able to set priorities in terms of human need. When I listen to some of the examples, as a matter of fact, that all three parties gave earlier this week to the Minister of Community and Social Services about tremendous needs in that area, we can all add the human face to those needs in Community and Social Services because every one of us in our constituency offices and our offices down here at Queen's Park receives those calls on a daily basis.

Whether we are talking about the unemployed father of three or the single mother who has just lost her job or, as an example, of Gregory, which I gave yesterday, who is a 10-year-old young boy in my constituency who does not walk or speak, is in diapers and cannot even feed himself, and for two years has been identified as needing a residential setting outside his home—this is worth repeating to you, because I know that the Minister of Community and Social Services listened yesterday and she said while it depends how much money she gets, she will do as much as she can for every single child.

I just want to tell you of this example because in this case we have a family which has never asked the government for anything and they have looked after this child for 10 years. Finally, because the child is 10 and is obviously larger and heavier, he is getting beyond the family's ability to meet his physical needs. Yet although he was identified two years ago and the ministry under that government acknowledged he should be in a residential setting outside of his home, he is still in his home today.

For those of us who have ever had to make the emotional decision of having to admit that we cannot care for someone we love—looking around this room this morning, it may not be the experience of many of the members where they reach the point where they can no longer look after an aging parent—but I want to tell you, when you reach that stage where you are finally reaching out to government and saying, "I can no longer look after that person

in my home, who not only brought me into the world but looked after me through all my childhood," it does not take much imagination to understand just how traumatic that decision is, or when you go for help to government and say, "I can no longer look after my 10-year-old Gregory," you go through tremendous guilt—

The Chair: Mrs Marland, I do not mean to be impertinent, but I do feel I should tell you that you have 15 minutes left and Mr Stockwell does have a question. He has asked to be recognized as well. I apologize for interrupting you, but I wanted to let you know that there were additional questions for your time.

Mrs Marland: Mr Stockwell asked me to ask my question, Mr Chairman, and I am simply doing that.

The Chair: Thank you.

Mrs Marland: As a parent, you go through tremendous guilt in reaching the decision that you can no longer care for that child. In this example—and this is only one of hundreds of families, and I know Community Living Mississauga alone has about 48 families that are in this position—I simply ask you: Can you guarantee the people of Ontario and people like the examples I have given you, both in tremendous need in an educational environment and in tremendous need in special care areas, that you will set their priorities first, that you will make them a priority for whatever funding you have? Surely we cannot afford to spend money on programs for normal kids, for example, reducing class size where those kids will survive anyway, and ignore the needs of special children with special needs in this province in 1991?

Hon Mr Laughren: Mr Chairman, nobody puts these cases in a more compelling way than Mrs Marland, and I share her concern about it and also her sense of priority. I have often, in my own head and in talking to my friends or the family, used the expression that we have built a society for "the young and the swift," physically and mentally, and that the young and the swift will survive, almost the way you have described it as well. But those who are not "young or swift," the people who are not so young and swift are the ones that struggle so much, and very often, we help people who will get by without the help. Particularly that is in spades when we are dealing with very scarce resources, which we are now. So I can tell you without hesitation, you are talking to the converted here, and I agree with you.

Now, obviously I do not make all of those decisions that need to be made in allocating those kinds of resources within the Ministry of Community and Social Services either. I am not trying to shift the blame. I am just saying that that I have a responsibility to make sure that the Ministry of Community and Social Services—I used to have partial responsibility—I am trying to make sure that other people have ownership of these problems too, not just the Treasurer and the Ministry of Treasury and Economics. But I have no hesitation in agreeing with the premise of your remarks.

Mr Stockwell: Just a few quick ones off the top. The Water and Sewer Corp, are you going to abolish that policy? What are you going to do with it?

Hon Mr Laughren: I am not sure. We have got a high-level person looking at that whole thing to see what we should do about it.

Mr Stockwell: John Kruger?

Hon Mr Laughren: No. The former Deputy Minister of Industry, Trade and Technology. Mr Pitura is looking at that whole thing, so we are awaiting a response.

Mr Stockwell: This year?
Hon Mr Laughren: Oh, yes.
Mr Stockwell: Oh, ves? Okay.

What is the deadline for the report back from the Dome, the date?

Hon Mr Laughren: I am glad you mentioned that. The people in Treasury phoned Mr White, who is not available today. They then tried to get hold of Paul Morton, who is chairman of Stadco. They have not connected yet so—just to see if they are available. Anyway, what I said to the negotiating team was—I know this may not satisfy you, but as soon as possible. We would very much like to get that settled.

Mr Stockwell: Months? Weeks?

Hon Mr Laughren: If it does not happen in weeks when I want it to, then I suppose I will be on the record as not having achieved my goals. But I think you have to give them a couple of months to sort it out, because it is a very complex thing.

1150

Mr Stockwell: No, I agree with you. It is complex. I remember voting on it in Metro council. It was even complex when it was \$150 million. I can imagine how complex it is when it is \$500 million.

The next one was transfer payments, health care specifically. Some have suggested you did not fulfil An Agenda for People and you are no longer socialists with your transfer payments. Obviously you spent just too much to be Conservatives. There is a suggestion we have badly dressed Liberals running the government now. But I did not say that—well, I guess I did. Do not take it like that.

My question is health care. The Liberals have proved one thing in their five years. They have proved that simply throwing money at problems does not necessarily solve them. I think the health care budget was nearly doubled in the five years, and I do not think anyone in this province will tell you that the health care system today is better—and it may be worse—than it was five years ago. Clearly, throwing money at problems has not been an answer. Other than your announcement of 9.5% to health care, I have not seen anything of any major consequence with respect to the health care system. What are we looking forward to? Is it just more of the same?

Hon Mr Laughren: Well, there is not as much more of the same to throw at the system to start with. I would caution you, however, Mr Stockwell, that Ontario has a population that demographically is aging, and that imposes particular strains on the health care system. I know that you do not need to hear this from me. Ask your colleague Mr Eves, who is very concerned about the lack of medical services from time to time. You might want to check with

him before you call for any reduction in transfers to the health care system.

But there is no question—I agree with part of the way you have worded it—that just throwing money at any problem is unlikely to be the answer. What I have felt for some time, and this is not creative thinking on my part, is that moving to a community-based, preventive health care system will be in the end a cheaper system, but getting there is not. and how do you get to that community-based, preventive system from where we are now? I think it is not cheap getting there, even though I have this belief that once we got there we would all be better served, including the taxpayers of the province. But I do not kid myself that getting there is any way to save money.

I should add that the Premier has a council, which I am sure you are familiar with, the Premier's Council on Health, Well-being and Social Justice. I think those words were carefully chosen. We are hoping it will help us down the road to restructure the health care system in a way that will give us a better health care system and at the same time not bankrupt the province—I should not use those words—but not put an undue strain on the tax system, which, you know, is heavy as it is.

**Mr Stockwell:** With all due respect, Treasurer, I have heard that for a long time. Even the Liberals mouthed that typical response.

Hon Mr Laughren: What do you mean "even" the Liberals?

Mr Stockwell: Because they did throw the money. They were there five years and really not a lot changed.

Interjection.

Mr Stockwell: Well, I thought when the Conservatives were in power we had a better health care system, with all due respect, and I think mostly everyone would have agreed it was a better health care system. I understand that you have praised it and couched your words and so on—

Mr Mammoliti: Even though you are still making people sick?

**Mr Stockwell:** I did not hear that comment, so I cannot respond. It is too bad too. I would like to.

But the fact is I have not seen the initiative and I would really like to see some initiative come forward, particularly in health care because, again, it was one of the bases for your election.

The next one is taxes. Personally, I do not believe any tax should be looked at. You are looking at, as you phrased it, "selective" tax hikes. I do not know what that specifically means: "selective" is a word like "fair." It is interesting that your interpretation of selective and fair is completely different than mine.

But you are still on record in the past as going on rants about employer health tax and the commercial concentration tax. Your party was opposed to both of those particular implemented taxes. Now that you are in power you have the perfect opportunity to revoke those taxes, particularly—well, not just particularly; they are both bad—but one that really frustrates me is the commercial concentration tax.

It is a tax that is simply discriminatory. It is just a tax based on the GTA for no reason other than the fact that, "You people appear to be reasonably well managed and have reasonable success, so we want your share of municipal taxes from a provincial level." You know, as municipal representatives, we were always told that we were creatures of the province or children of the province when it came to taxes.

What it is tantamount to when you approve the commercial concentration tax—the Liberals approved it and you are allowing it to continue—is that you sneak into your child's bedroom and break his piggy bank and steal his money. Every year you are stealing money from the municipal tax base that is restrained at best, regressive to the tune of a hundred—

**Mr Perruzza:** Mr Chairman, this is really unparliamentary. I mean, come on.

Mr Stockwell: What is unparliamentary about it?

Mr Perruzza: Oh, come on. Stealing, lying, cheating?
The Chair: Mr Perruzza, do you have any further telephone calls you have to make?

Mr Stockwell: What stealing, lying, and cheating? Obviously you are a little concerned here. I think—

The Chair: Mr Perruzza, do you have any other phone calls you have to make?

Mr Stockwell: Yes. He has a nerve, about lying and cheating.

**The Chair:** —it would be very helpful to the committee.

Mr Perruzza: Mr Chairman, I-

The Chair: Thank you. Mr Perruzza: Please—

The Chair: Mr Stockwell has the floor.

Mr Stockwell: I did not say that. I may have thought it.

Anyway, when are you going to revoke the commercial concentration tax? You were very firm in your opposition. I do not like it. Lots of people do not like it. It is not a fair tax—and the employer health tax, we are on record. If you are going to look at selective tax increases, then that is your option. You are the Treasurer. Although I may think it is a bad move, you can do it. You should at least be consistent and look at the ones you opposed in the past so they do not just go on in perpetuity.

**Mr Bradley:** I know the answer to this.

Hon Mr Laughren: I will defer to the-

Mr Bradley: That is called a Fair Tax Commission.

**Hon Mr Laughren:** Actually I was not going to say that, but that is not a bad suggestion.

Mr Stockwell: No, we have established that these are unfair.

Hon Mr Laughren: You have established that?

Mr Stockwell: No, you established it last term.

Hon Mr Laughren: You mentioned two taxes in particular: the employer health tax and the commercial concentration tax. I have no hesitation in expressing my support for the employer health tax. I think it is a good way to

help us pay for the health care system in the province and I would invite you to go and review Hansard in that regard.

On the commercial concentration tax, there is an unusual cost of providing services in the GTA. I think you would recognize that.

Mr Stockwell: I certainly do.

Hon Mr Laughren: And I think it is not inappropriate that the GTA help pay for that unusual cost with an unusual tax.

Mr Stockwell: You did not say that before the election, though, Treasurer, with all due respect.

Hon Mr Laughren: Pretty close.

Mr Stockwell: No. Your party was opposed to this-

Hon Mr Laughren: I thought you were quoting me.

**Mr Perruzza:** Mr Chairman, the minister was answering the question.

The Chair: Mr Perruzza—

Mr Perruzza: You are allowing interjections.

The Chair: Mr Perruzza, I have warned you on previous occasions. The Treasurer and Mr Stockwell are engaged in a discussion. They are both very comfortable, and the only person who is disrupting that at the moment is you. That is my ruling and I would—

Mr Perruzza: I thought questions had to go through the Chair.

The Chair: The Treasurer and Mr Stockwell were engaged in a conversation and there was no difficulty or strain being expressed by either of them. It is the Chair's prerogative to allow the flow to go in that direction.

Mr Perruzza: Are you allowing exchange between individuals?

The Chair: No, because the Chair does not recognize anybody other than the questioner and the respondent. Thank you.

Hon Mr Laughren: Every now and again I remember why I like the committee system.

Mr Stockwell: I forget the question to you so let's—

Hon Mr Laughren: Mr Chairman, before we adjourn—do you adjourn at 12?

The Chair: Our clock is to go to a few minutes after but I reserved a few moments for you, Treasurer, or your deputy, if there were some matters you wish to share with the committee.

Hon Mr Laughren: I wanted to answer a couple of questions—I am sorry Mr Daigeler had to leave—but a couple of questions that were asked earlier this morning to which we have some answers. One had to do with the cost of oil. If the price of a barrel of oil goes up, for example, from \$20 to \$30, that range, it is estimated that the real growth would be lowered by 1.7%, which is a lot; that there would be 45,000 fewer jobs, and that it would cause a rise in the consumer price index of 1.5%. You can see that has a very, very substantial impact on the province.

The other question was, by not imposing the RST on top of the GST, what that is costing the consolidated revenue fund of the province. It is estimated that it costs between \$35 million and \$40 million a month, so that this fiscal year 1990-91, the impact would be about \$70 million, because it is only two months.

1200

I think that was it. Are there any more questions? Mr Davies, did you have anything you wanted to add to that?

Mr Davies: I would just observe that we are trying to get the regional breakdown Mr Daigeler was asking of the \$84 million in the antirecession package that was already been approved, what the regional breakdown of that amount is. We hope to have that this afternoon. The Treasurer has already responded on our attempts to obtain the availability of the chair of the negotiating committee at Stadco. That was really all I had to add.

Mr Stockwell: There was one last question I thought that staff were going to respond to, which was the debt over the election and when they found out that those numbers had in fact changed dramatically. You were going to comment. You said that staff would be allowed to comment.

Hon Mr Laughren: You want that now?

The Chair: You want it more fully. Well, you could have a fuller explanation and exchange, if you wish, this afternoon. I was going to try and leave both you and Mr Bradley each with about two minutes to make any summary comments for the benefit of the Treasurer. I am in your hands.

Mr Stockwell: That is fine by me.

**Mr Bradley:** I have a number of matters that I would like to pursue with the Treasurer of the province, who is paid to be the Treasurer and answer questions about this.

One I wanted to deal with was municipalities and your relationship to municipalities and the particular circumstance in which municipalities find themselves. I guess I will make it in the form of a statement, because you will not have time to answer it right now.

The concern I would express is that the municipal taxpayers have to continue paying the municipal taxes whether they are working or not, if they are employees of a company or employees of any particular firm. People who are in business have to continue paying their property taxes whether the business is failing or whether if it is highly successful. That is why I think it is particularly important for the Treasury to provide in the time of recession a more generous allocation of funds to municipalities in terms of transfer payments, both conditional and unconditional.

I do not object to the fact that you would put more of your emphasis on the conditional to influence the economy, if you wanted to do so, than might be the case in a booming economy. In a booming economy, there is an assumption that we have much more in the way of people employed and municipalities are in a much better position to handle those things which are under their responsibility. I would certainly ask that you review that as you go towards your budget. I know that there is an opportunity at budget time to put some additional funds in any specific area and I urge you to do so.

Mr Stockwell: First, I thank the Treasurer for coming today. It is always interesting to hear new and improved

ways of saying, "Wait for the budget and the Fair Tax Commission." But he did do his best with respect to some of the questions that needed to be responded to.

There are some other concerns that I have, but they can, I suppose, wait. Maybe I could put them in comment form. But you know, I think we had better all get ready for one very, very important budget coming down in April or May, whichever the case may be. I think that you know the clock is ticking, as I said in the House. The clock is ticking on promises and commitments, and not just the Treasurer but the backbenchers are going to have to face the music, and it is coming up. I am very curious to see the budget in April and I am going to be looking to see about those selective tax hikes.

The most important thing of all that we really did not get an opportunity to review today is the debt and the deficit. I would like to see the Treasurer go on record some time before April and maybe have some goals. You know that is how you measure government, by goals. That is how you measure anything, goals. You have objectives and you try to maintain those objectives. If you make them, they applaud you and if do not, then you get dumped on.

The Chair: Except the Leafs.

Mr Stockwell: Except the Leafs.

Hon Mr Laughren: Like An Agenda for People.

Mr Stockwell: Like An Agenda for People. Exactly. You were bold enough to put it in writing and some would suggest that now you wish you had not. But it got you elected.

I would like to see your goals and objectives clearly in the budget for the next four or five years so that we can measure your success. If you are going to come in with a \$6-billion or \$7-billion deficit, I think we should have a very clear, defined number within the next few weeks about where you see this province heading. I think you should give the private sector and individuals an opportunity to adjust and move towards a different type of budgeting strategy than this province has seen—well, not that different, but considerably more money being applied to the debt, which I consider to be very, very dangerous.

The other point I would like to make is, I tend to agree with Mr Bradley. No reflection on David Christopherson—I think he is a very capable and knowledgeable person, and in all my dealings with him on the committees he has been fair and very, very equitable—but he does not sit in cabinet. He does not hear what I think are the important things that we need to hear, and in all truthfulness, if we get a question out and we get to the point of needing an answer, I think it is probably going to be referred to the Treasurer anyway. So I really do not see a lot of point in going on with this process with the parliamentary assistant. Please, there is no reflection on the individual, because I think he is one of the most capable parliamentary assistants I have seen in this government.

That is my opinion from the Conservative ranks, shared by Mrs Marland. Thank you.

The Chair: Treasurer, final comments.

Hon Mr Laughren: I appreciate the reception I have received from members of the committee and I beg to echo Mr Stockwell's comments about Mr Christopherson. He has been a big help to me as a parliamentary assistant in some of the specific assignments he has taken on, which have been very meaningful. He has worked very hard at it.

I take quite seriously the comments of both Mr Stockwell and Mr Bradley about my attendance at the committee. I am in the committee's hands of course and I regret the fact I cannot be here this afternoon. It was prebudget consultation, meetings and so forth that I just really did not feel I could cancel this afternoon because of other cancellations that we have had and so forth. Anyway, it was a bit complicated, but I really felt I could not cancel this afternoon.

I feel that Mr Christopherson is completely capable, along with the staff of Treasury, in answering any of your questions. I think most of the highly political questions have been asked and answered. I do not mean that in a negative way, I think that is most appropriate, but if there are other questions, I really have a lot of confidence in Mr Christopherson. I am not just saying that for rhetorical purposes; I am sure he can handle himself very well, so I hope you will proceed with him. I can remember being in opposition and being a critic and having the same kind of concerns that Mr Stockwell and Mr Bradley have expressed, but I do hope that you will go ahead with Mr Christopherson up here.

In conclusion, thank you for the very courteous reception that you have given me, Mr Chairman, and the way you have conducted the committee.

The Chair: Thank you, Treasurer. Mr Bradley, on a matter of procedure.

Mr Bradley: I appreciate that you, as Chair of the committee, must have a balancing act to get everything before the committee and that there is a schedule set out. I appreciate what you have to go through, and the clerk has to go through, and so on.

I speak on the principle of a minister having to answer to a committee in the time of estimates. We place some considerable importance as a Legislature in the estimates procedure by establishing an estimates committee. I understand the minister has a difficult schedule. I really understand that and I know what a compelling job it is, probably the most difficult job in the government, being Treasurer. I appreciate that, but I must say that in principle, and I apply that principle to this committee, I object to a committee dealing with estimates without a minister there to answer the questions.

Regardless of who happens to be sitting in the committee from the three parties that are represented, I think the one person who must attend is the minister to answer those questions. I would want to participate as a member of this committee only with the Treasurer answering those questions, and trying to, as a member of the committee, accommodate his time in whatever way we can. But I would like have those questions directed to the Treasurer, not a parliamentary assistant. Again, no reflection on the parliamentary assistant. It is just a matter of principle.

1210

The Chair: Mr Bradley, you have now recorded your concerns in three places in Hansard. I am in the hands of the committee. If you wish to call the votes and determine that we do not have to use our full eight hours—we are given eight full hours; you are aware of that. I might also remind members of the committee that we are operating under extraordinary circumstances, that the government of the day was under no legislative or regulatory requirement for us to proceed with estimates and you would, as a former member of the government whose estimates were conducted in almost whole, but in part—that we had lapsed that time for those estimates. So from the Chair's point of view, I consider that we are fortunate that we are having an estimates process at all for the 1990-91 estimates of the government of the province of Ontario. If I see no other motion-

**Mr Bradley:** I will move a motion, Mr Chairman, that this committee proceed with the estimates of the Treasury only with the Treasurer in attendance.

Mr Perruzza: Mr Chair-

The Chair: Please, Mr Perruzza. I have a motion on the floor and I am about to rule, and I need a few seconds to give my ruling.

Mr Stockwell: To think.

The Chair: Excuse me. I am going to rule that the motion is in order, but I feel impelled to provide certain clarifications. We are required under—

Clerk of the Committee: The motion has to be voted on.

The Chair: I understand that. Clerk, thank you for your assistance. I am trying to give a point of clarification to my ruling, if the committee will listen to it, thank you.

The fact is that we have eight hours for estimates of this ministry. The fact is that we must have them completed no later than Friday of next week. If it is the wish of this committee that it proceeds in accordance with your motion, we must find time within that narrow time frame in order to complete them. Otherwise, the times that have been set have been approved by the House leaders and approved by the House. Am I making myself very clear? I am very narrowly approving it, but with the understanding that I must entertain a motion which is either a little clearer or gives further direction.

Do you wish to speak now to the motion?

Mr Bradley: Yes. I wish to speak to the motion and I will be as brief as I can in that.

Mr Perruzza: Mr Chair, a point of procedure.

The Chair: Yes, Mr Perruzza.

Mr Perruzza: We had a cutoff time in this. We had a very set, firm time when we could engage in questions, engage in discussion, engage in debate and so on.

The Chair: No.

Mr Perruzza: We have exceeded that time. I think what would be in order at this time is for us to come back at 2 o'clock and deal with Mr Bradley.

The Chair: Thank you for your question.

Mr Perruzza: I move that we adjourn.

The Chair: Your movement for adjournment is out of order because we are in the middle of a procedure. We already have a motion on the floor. Second—

Mr Perruzza: You accepted it after the time when you were supposed to cut off.

The Chair: No. Please, Mr Perruzza I will explain to you simply that matters of procedure must be dealt with and I am dealing with them. If we were in the regular process of conducting votes and prior agreed-upon time frame for discussion, then I would have entertained a motion for adjournment. I recognized a procedural question, as I did with you, but we have a motion on the floor and I would like Mr Bradley to briefly comment so that we may call the vote.

Mr Bradley: There is a principle, it seems to me, in parliamentary democracy that the government must be accountable to the Legislative Assembly and accountable to this committee. We had cabinet members appointed by the Premier for the purpose of dealing with their departments and, ultimately, responsibility for the Treasury is with the provincial Treasurer.

I understand the circumstances in this situation. I find it unfortunate. I understand your circumstance as chairman and appreciate very much the difficulty it places. I also understand the Treasurer and his need to do other things, other than meet this committee.

The Chair: Be as equally understanding about the clock.

Mr Perruzza: Mr Chair, he is-

The Chair: Now, look, Mr Perruzza-

Mr Bradley: Mr Chairman, thank you. I believe what is paramount is the accountability of the government to a legislative committee, and that is why I had moved the motion that we not deal with the estimate except with the attendance of the Treasurer.

The Chair: The Chair recognizes Mr Christopherson speaking to the motion.

Mr Christopherson: Thank you, Mr Chair. Yes, to the motion. I was glad to hear your ruling, that you were asking for a little more clarification, and I do not know that we still got what I think perhaps you were trying to achieve. The motion itself I think proves difficult for us because it is contrary to the process that we agreed on, so we would be voting against our own process.

Having said that, however, and I am speaking now as one individual, if both opposition parties are clearly not comfortable with the concept of a PA sitting there, regardless of who it is—and by the way, I accept the fact that it is not personal; I know both the members who have spoken and accept for the record that it is a matter of principle—if they both feel strongly about that principle, then I have a great deal of difficulty, as the PA, to be sitting here this afternoon, lobbying back and forth with my own colleagues. I do not really think we would be achieving anything.

So, Mr Chair, I would like to say that I have some trouble supporting the motion as it is because of the way it is structured. However, the concept that we not continue

and that both opposition parties do not wish to participate this afternoon without the minister I think makes it necessary for us to agree with that and perhaps just look at closing the estimates for this ministry right now.

The Chair: You have offered some commentary which includes the potential for an amendment, but I do not hear an amendment, so I will, seeing no other speakers, call the vote. Everyone understands that I am calling the vote?

**Mr** Christopherson: Could I seek your guidance? What type of amendment would you consider appropriate in light of what I said?

The Chair: No, I cannot lead you.

Mr Stockwell: Ask Anthony.

The Chair: I cannot lead you, nor can I really assist you to construct an amendment to Mr Bradley's motion.

**Interjection:** Reword it.

Mr Bradley: Mr Chairman, if I can be helpful to you by restructuring the motion rather than offering an amendment, I do not think I can offer an amendment to my own motion.

The Chair: No, you cannot. You can withdraw and put a new one.

Mr Bradley: If you would like me to do it that way, I can do it. Otherwise I can have Mr Curling—

Mrs Marland: We can agree unanimously to with-drawing this motion and rewording it.

The Chair: Very briefly, very quickly, Mr Bradley.

**Mr Bradley:** Okay. I would have the same motion, with an additional part put on, "and that the remainder of the estimates of the Treasury be rescheduled."

Interjections.

The Chair: I would like to call the clerk. I am asking for the clerk to comment at this point, please. Mr Carrozza.

Clerk of the Committee: Mr Bradley, the motion set by the Legislature sets the order of the estimates. A motion can only be moved by the House to alter the way the estimates have been set. Treasury is the third estimate. Therefore if you were to move this motion, it would be out of order because it contradicts the motion of the Legislature. Only the Legislature can amend the order of the estimates.

The Chair: Well, okay. We would have to reconvene, instead of 2 o'clock this afternoon, at 6, 8, up to and including 10, because the standing orders say we cannot proceed past the hour of 10, or reconvene Friday. Those are your options. But we cannot proceed beyond Monday at 12:30, which is when we begin the estimates of the Ministry of the Environment.

Mr Bradley: Can you consult the Treasurer as to his availability this evening? It may be helpful.

The Chair: I beg the committee's indulgence while the Treasurer examines this. It is a legitimate request for information from Mr Bradley, but we still have a motion on the floor. It was not removed.

Hon Mr Laughren: Did you wish me to-

The Chair: I should also tell you we have three hours, approximately, remaining to complete our estimates.

Mrs Marland: Tomorrow morning.

**The Chair:** Please, I have already indicated that I recognize the Treasurer.

Hon Mr Laughren: I do have some real problems with my schedule. This evening it is a commitment I have made out in Don Mills; I have to be there at 8 o'clock. That will last till about 9. I have some sympathy with what you are trying to do here, so I am not trying to throw any obstacles out. Tomorrow morning I am scheduled to fly to Sudbury. I have a number of commitments there.

The Chair: I have a speaking list. I have a motion on the floor and any discussion will be out of order unless it is to the motion. I have Mr Christopherson, Mr Mammoliti, then Mrs Marland and then I have you, Mr Perruzza.

Hon Mr Laughren: I do not know whether you want the full three hours, or is it three hours?

The Chair: We have just used up 20 minutes of the three hours and 10 minutes, so we have less than three hours left.

Hon Mr Laughren: I am here on Monday morning. That is easier for me to shift around. It is very awkward, I really do not want to touch this afternoon, this evening or tomorrow because—

The Chair: Two hours and 45 minutes now, by my rough calculation.

Hon Mr Laughren: I do not think I can free up the full three hours. I do not have my full schedule here, but I do know I have some problems on Monday morning which I cannot get out of.

**The Chair:** Mr Bradley—if I can beg the indulgence of the speakers' list which I have recognized—would you be willing to withdraw your motion at this time and present a time-specific motion by unanimous consent?

Mr Bradley: Yes, Mr Chairman, I would.

The Chair: Do I have unanimous consent? Thank you.

Mr Bradley: The motion I would put forward is similar to the motion I put forward except with the time, to say this committee shall reconvene at 10 am Monday morning.

**Hon Mr Laughren:** I do not know what this does to people: probably 9 would be better.

Mr Bradley: I am willing to say 9 am Monday.

**The Chair:** That is the motion. Does everybody understand the motion? Limited discussion, if any, please.

Hon Mr Laughren: Can I get back to you on how long I can stand in?

The Chair: Yes.

Mr Christopherson: I just express some disappointment at the way things have unfolded. Our comments were in light of the fact that there had already been agreement between the Treasurer's office, my office and the Chair of the committee, who, it should be noted, is not a member of the government. I was merely offering up our comments to

the extent that if the opposition parties feel they do not want to sit this afternoon with the parliamentary assistant, so be it, but personally I have a great deal of trouble with the fact that we are rescheduling. If the Treasurer wishes and/or can make himself available, that is quite another matter, but in terms of procedures and what we are trying to accomplish we have been more than fair today in trying to give access to the minister, we have forgone our questions, and now what we are trying to do is significantly change what was already agreed to. I think that is going way beyond what we originally were trying to agree on here, and I have a great deal of difficulty with it.

The Chair: Well, Mr Christopherson, you do have the opportunity to vote against the motion. Are there any others who wish to comment briefly?

Mr Mammoliti: If this were the previous government, I could understand the motion. They really did not communicate with their parliamentary assistants. However, this government is doing things a little differently. We do communicate with our parliamentary assistants and they are active. Because of that, I would say the parliamentary assistant in this case would be qualified to answer any questions.

The Chair: Please speak to the motion. The parliamentary assistant is not named in the motion. I would like you to speak to the motion, which is for us to rise and reconvene. That is the issue and the motion, and please keep to that.

Mr Mammoliti: I was not finished; you cut me off. The motion was placed, and because of that I am compelled to vote against the motion, okay?

Mr Perruzza: I would like to urge my colleagues to vote against this eleventh-hour grandstanding the Liberals are trying to pull here. Everybody had agreed, the rules had been clearly set down, the Treasurer had indicated that he could not been here today. They should have brought this forward well in advance of what they are doing now. They are just stalling. I would like to urge my colleagues to vote against this motion, and then I would introduce a motion that we reconvene at 2:30 and end tonight at 5 o'clock.

The Chair: Any further comments? Is everyone aware of the motion?

Mr Perruzza: Just if I might be of assistance in—

The Chair: Please, Mr Perruzza. You had completed. The motion on the floor is that we adjourn and reconvene to complete the estimates with the Treasurer on Monday the 18th at 9 in committee room 2. All those in favour? All those opposed?

Motion negatived.

Mr Perruzza: Mr Chairman, I move that we reconvene at 2:30 today and end at 5 o'clock tonight, seeing as

we have run a half-hour into the allotted time for this afternoon's period.

The Chair: I have a motion that we reconvene at 2:30—

**Mr Perruzza:** With the parliamentary assistant standing in for the minister.

Interjection.

The Chair: No, it is not redundant, because we are scheduled to reconvene at 2. Mr Perruzza is suggesting—I see the pained faces on all the ministry staff who in the midst of the snowstorm are very sensitive to the fact that we might be sitting here until 5:30. But if you wish to proceed, Mr Perruzza, with that kind of recommendation, and Mr Christopherson, feel free to place it.

Mr Perruzza: I have done that, Mr Chairman.

The Chair: The motion is that we reconvene at 2:30 until after 5, 5:30.

Mr Perruzza: Why 5:30, Mr Chairman? We have already cut into that time period. We were supposed to terminate this session at 12.

The Chair: I will tell you when we are going to adjourn, with the amount of time left, but you are now wanting to reconvene at 2:30. Any further discussion on that motion?

Mr Christopherson: Could I get clarification from the Chair? The motion was originally 2:30 to 5. What is the ruling of the Chair on that motion?

The Chair: As soon as I do my mathematics, I will tell you how much time you have. But I am obligated as the Chair to advise the committee that you are either adding to or shortening the total amount of time we are statutorily required to perform. I would not allow the time to proceed until I had the accurate numbers, and I did not have those off the top of my head. Any further discussion on the reconvening? If Mr Perruzza would simply put it as reconvening at 2:30, that would make it a lot simpler.

Mr Christopherson: That is fine. Go ahead, Anthony.

Mr Stockwell: Would you do that, Mr Perruzza?

The Chair: I do not hear Mr Perruzza for a change, so I will proceed.

Mr Perruzza: You have heard my motion: 2:30.

The Chair: Mr Christopherson recommended an amendment to the motion that it be 2:30 only. The Chair recognizes that. All those in favour? Those opposed? I am sorry, I did not see all the hands. All those in favour? Those opposed?

Motion agreed to.

The Chair: This committee stands adjourned until 2:30 this afternoon in this room.

The committee recessed at 1229.

#### AFTERNOON SITTING

The committee resumed at 1434.

**The Chair:** I would like to call to order the standing committee on estimates to hear the balance of the two hours and 41 minutes remaining for the Ministry of Treasury and Economics.

**Mr Bradley:** I want to ask one question of the Chair. Is the Treasurer going to be here this afternoon to deal with the estimates?

**The Chair:** Let me ask the parliamentary assistant. Could you answer the question for Mr Bradley?

Mr Christopherson: To the best of my knowledge, it is the agenda as originally agreed.

**The Chair:** That was not the question. Will the Treasurer be able to be with us this afternoon, I think was Mr Bradley's question.

Mr Christopherson: I believe the original agenda called for the Treasurer's PA to be here, and I am saying nothing has changed from that.

The Chair: This is an auspicious start for you, is it not? There is nothing in the minutes or the record or an agreed-upon motion that speaks to the issue of the Treasurer's attendance. This was simply a legitimate request: To your knowledge, will the Treasurer be here this afternoon? That is the simple question.

Mr Christopherson: The simple answer is no.

The Chair: Thank you very much.

**Mr Christopherson:** You are quite welcome.

**Mr Bradley:** It is my intention then, Mr Chairman, not to participate, because I believe in the principle of having the Treasurer or any minister defend his or her own estimates.

**Mr Hansen:** May I make a motion to take the vote on estimates?

The Chair: That would be in order, although—what is your motion?

**Mr Hansen:** I made a motion that we take a vote on the estimates, all the votes.

The Chair: We have a motion to call the vote at this time. All those—

Ms Haslam: I would like a recorded vote. No?

The Chair: No.

Ms Haslam: I would like a moment, Mr Chair. May I have a moment?

The Chair: No. You can call for the recorded vote, you can withdraw your recorded vote or proceed with the motion I have on the floor.

Ms Haslam: Would you call for the vote?

The Chair: All those in favour? Carried.

The Chair therefore assumes—the prior instructions were that we would stack our votes to the end of estimates—that it is the opinion of the committee that we have now completed the estimates for the 1990-91 budget year for the Ministry of Treasury and Economics. I shall now call the votes of each of the estimates in order.

Votes 3901 to 3904, inclusive, agreed to.

**The Chair:** Shall the estimates of the Ministry of Treasury and Economics be reported to the House?

Agreed to.

**The Chair:** This completes consideration of the estimates of the Ministry of Treasury and Economics.

No further business? I adjourn the committee on estimates to meet again on Monday 18 February at 12:30 pm in committee room 228, at which point we will begin the estimates of the Ministry of the Environment.

The committee adjourned at 1440.

#### CONTENTS

#### Thursday 14 February 1991

inistry of Treasury and Economics	E-139
dernoon sitting	E-159
ljournment	E-159

#### STANDING COMMITTEE ON ESTIMATES

Chair: Jackson, Cameron (Burlington South PC)
Vice-Chair: Marland, Margaret (Mississauga South PC)
Carr, Gary (Oakville South PC)
Daigeler, Hans (Nepean L)
Hansen, Ron (Lincoln NDP)
Haslam, Karen (Perth NDP)
Lessard, Wayne (Windsor-Walkerville NDP)
McGuinty, Dalton (Ottawa South L)
McLeod, Lyn (Fort William L)
Perruzza, Anthony (Downsview NDP)
Ward, Margery (Don Mills NDP)
Wilson, Gary (Kingston and The Islands NDP)

#### Substitutions:

Bradley, James J. (St. Catharines L) for Mrs McLeod Christopherson, David (Hamilton Centre NDP) for Mr Lessard Curling, Alvin (Scarborough North L) for Mr McGuinty Dadamo, George (Windsor-Sandwich NDP) for Mr Lessard Haeck, Christel (St. Catharines-Brock NDP) for Ms M. Ward Klopp, Paul (Huron NDP) for Ms K. Haslam Mammoliti, George (Yorkview NDP) for Mr G. Wilson Stockwell, Chris (Etobicoke West PC) for Mr Carr Also taking part:
Sterling, Norman W. (Carleton PC)

Clerk: Carrozza, Franco

Staff: Campbell, Elaine, Research Officer, Legislative Research Service

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# Legislative Assembly of Ontario

First Session, 35th Parliament

# Official Report of Debates (Hansard)

Monday 18 February 1991

Standing committee on estimates

Ministry of the Environment

Assemblée législative de l'Ontario

Première session, 35<sup>e</sup> législature

Journal des débats (Hansard)

Le lundi 18 février 1991

Comité permanent des budgets des dépenses

Ministère de l'Environnement

Chair: Cameron Jackson Clerk: Franco Carrozza Président : Cameron Jackson Greffier : Franco Carrozza

# **Table of Contents**

Table of Contents for proceedings reported in this issue appears at the back, together with a list of committee members and other members taking part.

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#### Table des matières

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# LEGISLATIVE ASSEMBLY OF ONTARIO

#### STANDING COMMITTEE ON ESTIMATES

# Monday 18 February 1991

The committee met at 1239 in room 228.

## MINISTRY OF THE ENVIRONMENT

The Chair: I would like to call to order the standing committee on estimates. We are to begin eight full hours of the estimates of the Ministry of the Environment. We are pleased to welcome the Minister of the Environment, the Honourable Ruth Grier. In accordance with custom and the standing orders, the minister will speak for up to one half-hour, followed by the official opposition, which will be given up to half an hour, then the third party for up to half an hour, and then the minister will respond to the questions and comments in the final half-hour segment available to her. I will then propose a four- or five-minute break and then we will reconvene to begin the estimates in accordance with the votes. Seeing no questions, I will hand the floor over to the Minister of the Environment. Welcome.

Hon Mrs Grier: Thank you, Mr Chair. It is nice to be here on this side of the microphone after spending long hours in estimates in another place. At this point, it is nice to be here on this side of the microphone; at the end of eight hours, I may well feel that it is more appropriate that positions be reversed.

Let me tell you, I hope to your pleasure, that I do not have a long prepared statement. As I am sure members of the committee are aware, these are estimates that were prepared by my predecessor, the Honourable Jim Bradley. I have become more conscious of the trials and tribulations he has suffered over the years during the last five months, but I am glad to bring forward these estimates to try to give you a flavour of the directions I am taking and that the government is taking with respect to the environment. I know there are a lot of issues on which members of the committee will have questions.

There are representatives of the ministry here who have all of the details at their fingertips. With me at the front is Deputy Minister Gary Posen and Edna Lim from my staff. I hope that by responding to questions, we can perhaps bring out those issues which are of interest specifically to the members of the committee.

Let me just start by saying that my tenure at the ministry has, I think, indicated initially four major policy directions, the first being that this is a green government and the government in all its various ministries and in its own management, through the Ministry of Government Services, is looking very strongly at where it can both set an example and show leadership in taking environmental issues into account in every decision the government makes. I am very pleased to find that my colleagues, whether in Transportation or whatever, are very conscious as they bring forward their issues to the Legislature and to cabinet that in fact the environment has to be part of those decisions.

We also come to the thrust that everyone has a stake in the environment and a right to share in it and a responsibility for its protection. I will talk a little about the bill of rights, which I know many members have been familiar with in the past, but I think that is an example of that kind of philosophy.

Third, the direction has been that if we are going to have a sustainable environment, a sustainable economy, we have to look at how we can shift from being a consumer society towards a conserver society, and the initiatives I have taken with respect to waste management reflect on that approach.

Finally, we must focus on prevention strategies to head off pollution of our environment as well as on action programs to clean up existing problems. That is going to be the longer-term initiative and more difficult, I am sure, to put in place in totality, but that is the general sense and the general direction I hope we can take in the future.

I recognize that I am building on a very strong foundation that was laid by Jim Bradley and my predecessors; there has been a lot of activity and a lot of good initiatives taken in that ministry over the last five years. Some of the programs, as I said in opposition, I found have not been moving quite as quickly as I would like to see them move. We are certainly taking a close look at every aspect of the ministry, and I hope when I bring forward my own estimates next year that we can perhaps reflect on some of those.

But let me talk specifically about some of the directions I have identified. Of course, the one which has occupied most of my time since 1 October has been waste management and the crisis we face not just in the larger cities of the province but right across the province as we are running out of landfill sites and as people are looking at what they are going to do about their waste in their particular community.

The thrust of the government has been that the first priority has to be looking seriously at the 3Rs: Waste reduction, waste reuse and then waste recycling has been the direction I have been coming at this. I have had a lot of consultation with the various players, from Ontario Multi-Material Recycling Inc to the municipalities to industries, around how we can accelerate the 3Rs.

I am pleased to be able to share with the committee that, as of today, the first person in our waste reduction office has begun work at the ministry, Drew Blackwell, who is known to many people in the environmental movement for his work with the national packaging protocol and more recently with Metro Toronto's solid waste environmental assessment plan. He has come in as director of our waste reduction office, and it will be his responsibility to work with the various stakeholders and look at how we can accelerate the 3Rs program and work in partnership

with the municipalities, with the environmental groups, with the communities, to expand on that, because I certainly believe that if we can get serious about waste reduction we make it a lot easier to look at the disposal of the residue. If we can begin to extract from the waste stream as much as possible of those resources that can be reused, then when we come to siting a landfill site, we are not faced with the putrescible wastes, the compostable wastes which people do not want to have in their communities. It is certainly my hope that we can make siting questions a little easier to answer.

With respect to that, the second initiative we have taken is to look very seriously at the Environmental Assessment Act. Members will recall that when I made my announcement in the House last November about waste management issues within the GTA, I said the discussion paper which had been prepared for my predecessor would be released. That has happened, and we are now getting back from the various communities comments on that paper. The thrust of that discussion paper was to take a serious look at the Environmental Assessment Act and see how it could be made more efficient and more effective.

I was becoming concerned, as I know are many people, that because of the way in which the Environmental Assessment Act was being implemented, the long time frames between a proponent making a proposal and getting to the hearing board and the length and expense of hearings, in many ways the whole process of environmental assessment was somehow coming into disrepute, and as an environmentalist I found that very disturbing. The thrust of the discussion paper looks at how we can address some of those problems, how we can look for concurrent review by ministries and agencies of proposals, how we can look at shortening the time frames and giving some certainty to the process, so that people will not spend a lot of money for consultants trying to avoid the Environmental Assessment Act but will in fact come to see it as an effective and important tool in protecting the environment; because, as I said in the first paragraph of my comments, prevention is an awful lot cheaper and an awful lot easier than cleaning up afterwards. I think true prevention of environmental problems starts when you have a rigorous environmental evaluation before you embark upon a project.

The third thrust I have been giving my time to has been preparation of my environmental bill of rights. Bonnie Wein from our legal staff is here. She has been the chair of an advisory committee that is composed of representatives from a diverse number of groups, who have been looking at the private member's bill I had placed before the Legislature in opposition and giving it some very detailed scrutiny to see how we can come up with a piece of legislation that embodies the principles which all members of the House have supported in the past and put into place legislation that will be effective and concrete and will take us a real step forward to being a leader in this country in having an environmental bill of rights. I am happy to talk in some more detail on the aspects of that.

We have also initiated discussion and preparation of a safe drinking water act. That is something that has not had as wide an advisory group and as much discussion as the environmental bill of rights, but it certainly is a priority for the government and something our policy staff has been looking at over the last five months.

The almost final section I wanted to talk about—maybe I have touched on all of them, seeing I did not come with a written statement for you—was the municipal-industrial strategy for abatement program. MISA had a budget of \$22 million this fiscal year, and it is a program that is aimed at virtual elimination of contaminant loadings to the rivers and lakes, a program that so far has had monitoring regulations put out for the nine industrial sectors that were to be covered by the program. We have now completed all of that monitoring, all of the data has come back, so what is happening within the ministry is an evaluation of that monitoring.

1250

I have asked my staff to look and see what we can do to expedite the regulations that will control the discharges, because people will remember that when MISA was initially introduced in 1976 it was contemplated that the control regulations would be there by 1989. We have missed that deadline, but it is certainly my hope that we can look at how we can accelerate that program and make it an effective tool in the prevention of pollution, as opposed to the very expensive cleanups that were embarked on in various parts of the province because we did not have in place decades, years, even generations ago the kind of pollution prevention, the kind of proactive working with our partners, with the municipalities and with the proponents, to devise the best possible ways of achieving their objectives and the kind of environmental evaluation that I hope we will have in Ontario when the Environmental Assessment Act is amended and made, as I say, a more effective tool for considering projects before they are embarked upon.

That is the thrust of the initiatives I have been working on in my five months in the ministry. As I say, we have, as is customary, a large number of experts on the actual details and figures of the estimates the committee is considering, and I am more than happy to respond to questions when we have heard the statements from the opposition members.

The Chair: Thank you very much, Minister. I would like to recognize Mr Conway as the first speaker.

Mr Conway: Thank you very much, Mr Chairman. I am happy to be here filling in for my friend and colleague the member for Halton Centre, who is the party spokesman on the Environment and who is not able to be with us today.

I am going to try to follow the minister's good example in making some general comments of a preliminary nature. I understand there is a fairly well established protocol here of then moving into more general items in later rounds.

I am pleased to be here as a substitute today to hear the member give an outline of her intentions and the plans of her government in an area of public policy that probably is more important than just about any other in the community at present, and, without wishing to be unduly congratulatory, I think if there is anyone who has the ability, the

experience and the mettle to see some of this through, the incumbent minister will be that person.

Reflecting upon 15 and a half years in this place, I am always struck that the Minister of the Environment would be paid the same amount of money as a minister of—I will not name some others—because it seems to me there are some pretty tough places to be in government, and the Environment job is certainly about as mean and tough and awful a place to be as I can imagine. It is not something I would wish on too many of my close friends. I say that quite seriously; it is a very tough job. I have seen the toll it has taken on a number of other people.

I think of being in this room about 10 or 12 years ago with a very fine fellow, the former member for Oxford, Dr Parrott, I want to return to something in connection with Dr Parrott's tenure as Minister of the Environment later in these discussions. I will serve notice of it now, however: It is the genesis and the first decade of the Ontario Waste Management Corp, not so much for what it is currently doing or not doing but as a paradigm for some of the policy issues and the processes that will, I think, be of interest certainly to this Legislature. I am sure there are aspects of it that the deputy will not want to talk about, and I intend to be very polite in asking some of these questions. I saw Harry Parrott struggle after the days of Cayuga, and I was thinking of him as I walked in here today, 10 years and I do not know how many hundreds of millions of dollars later on that one item alone.

I just want to wish the minister all the very best as she proceeds in an area which I know is of particular importance to her colleagues in government and in the New Democratic Party. I made a note of her initial observation about finding "a flavour" for some new directions, and I think it would be useful today and tomorrow—certainly from my point of view and I profess no expertise in this area, but I am interested and I know my colleagues in the official opposition will be interested—in pursuing as best we can at this point, five and a half months or five months into the new government's term, what some of that flavour is, and hopefully beyond just a general sense of flavour perhaps to look more specifically at some of what the new minister intends and the new government intends.

She will appreciate how we will be interested to assess flavour and policy and performance against promise, because she was very generous in her opening remarks about the rock on which she will build. I am sure my friend the member for St Catharines would be pleased to know that she made the observations she did, and I have no intentions of interfering with that particular relationship, because those of us who have been around here since at least 1985 have watched it, I think in a very positive way, develop on matters of public policy.

I think it has to be said that the minister and certainly her colleague the member for York South have been extremely clear and extremely critical of many components of previous orders. Later in these estimates I will be looking back to some of the specifics of that criticism. I think part of the charm of the current minister was always her understanding, the completeness of her canvass, whether she was talking about clean air and the inadequacies of the

current regulation, or whether she was talking about the need for a much more vigorous reduction of policy than we have had over the last decade and how it could be done so much more effectively.

I was thinking this morning, as I happened to hear the radio service of the national broadcasting corporation, the minister and the Metropolitan Toronto chair talking about the garbage question—I know she will want to talk about that a little bit later in these estimates—but I was struck by what I thought was a tentativeness around some of her observations relative to what I recall a year or so ago when she was as clear as an Etobicoke bell on what needed to be done.

I was reading the press the other day and was struck by, apparently, the difficulties that surround the so-called Kirkland Lake proposal. I am sure we will have an opportunity again later in these estimates to talk about the specifics of those kinds of initiatives. Certainly the Metropolitan Toronto chair this morning, and I gather a number of his colleagues on that particular regional government, have been a little concerned in recent weeks to see or to not see certain actions from the provincial government.

I was very struck by something that happened, I think it was in October or November, when the new government seemed to be saying—I think the minister said that it was her expectation that the provincial government would be taking more of a role, more of a responsibility in the whole question of garbage, and rarely have I seen such a chorus of applause from across the province, particularly at the municipal level. The applause was so spontaneous and so prolonged as to make me think that the minister had offered or the new government had offered something that it was surely very anxious to offer for the short and for the longer haul.

We are certainly going to want to talk about how some of that partnership in garbage is coming, how it is that a lot of communities that are currently facing very tight time lines are going to cope with the next few years.

#### 1300

I remember being part of another event actually, just accidentally, at a federal by-election in York North, some time late in the fall. I did not even realize that some announcement around Keele Valley had in fact been made. That certainly seized the attention of a number of people who were going off to cast a ballot in, I think, a December federal by-election. The minister looks rather quizzical. I would certainly be quizzical too. These people certainly had a very clear view about some announcement around potential extensions for sites like Keele Valley should certain eventualities obtain. I was really impressed by how quick the community was to react to what I thought was a fairly innocent announcement that had been made by the Minister of the Environment a few days earlier in the Legislature.

I am also very struck by her plans around the processes, like the environmental assessment process, and her desire to make those processes more sensitive, more responsive and I presume more conclusive, and I will be interested to pursue that with her later in these estimates.

It happened the other day that I met a former very distinguished member of the Legislature who sits on one of these panels. Without in any way seeking to compromise the honourable gentlemen, well known to the minister, this particular ex-MPP, now commissioner, was describing some of the more colourful experiences that were to be had in one major environmental undertaking that affects northern Ontario. I must say that I have been part of a number of legislative filibusters and delaying tactics, but I never thought of some of the schemes that are apparently regularly pursued in some of these hearings—apparently.

Knowing that time is money and that ultimately these processes cost a great deal of money-I do not mean to suggest for a moment that there ought not to be a way to provide maximum participation—this sort of takes me back to the Ontario Waste Management Corp. How I remember that a decade ago government made an unfortunate mistake, it seemed to me, in assuming that we could just simply dump a lot of that toxic industrial waste in the Grand River basin, because it seemed at the time we owned a lot of land in and around Cayuga. Poor old Dr Parrott had to come back and say that, well, there really was another way and we were about to find it. I think in fairness to the Davis government, the second run at that was quite commendable in so far as the individual chosen to head the corporation, Dr Chant, and the structures and the process put in place seemed to me, looking from something of a distance, quite reasonable.

That it is apparently endless, that it is apparently going to cost hundreds of millions of dollars—the last check I made was about a year ago and I do not even want to cite the number that was given me—that it is apparently a process with no end, that it is a process now approaching \$250 million, that it is a process years short, perhaps a decade away from there being any concrete facility to which the taxpayers can point and to which the community can apply, is I suspect not exactly what the taxpaying public would have imagined when that train left the station over 10 years ago.

I know that the minister certainly has the will, and she can and will find a way to deal with several of the other problems that we have spoken of, whether they are the municipal-industrial strategy for abatement, whether they are packaging, whether they are a lot of the related issues. But one of my questions, particularly as I look at the politics of the environmental debate, is, is there any reasonable and democratic way to give some resolution to this?

If one accepts the argument that to govern is to decide, at some point somebody has to decide something. I understand. I have rarely seen in my 15 1/2 years in politics an area where it seems to be becoming more difficult for a lot of very good reasons, and that is why, as I said earlier, I cannot ever imagine having the job that our friend has at the present moment. It seems to me, for example, being a university president pales by comparison, and that to me is a relatively easy job.

To be Minister of the Environment, to have to deal with several constituents that seem to set the pace if not the policy in this area, cannot be easy. In reviewing the literature over the last 24 or 48 hours, I have been struck by the extent to which the minister and her colleagues in the executive council have in fact had a platform that has been very carefully set out, much of which seems to bear a very close relationship to a number of the not so quiet and not so docile members of that environmental special interest community. So I repeat that when she tells me that she is certainly going to try to make some good decisions in all of these areas, consistent with the greenness of her party and the electoral manifesto which has been referred to, I am sure in this committee, as I have been elsewhere, that I am going to be interested to see how the flavour of these new directions, and more importantly the specifics of new initiatives, give effect to that.

I was talking to some municipal people the other day and I know one of the questions they would want me to raise is, "Where are we with the capital grants?" We are now into the latter part of February. I gather we are late in the normal cycle for the announcement of some of those grants. I am just assuming, perhaps wrongly so, that this has to do with the whole question of the transfer announcements and the Treasury cycle that is somewhat delayed this year, and understandably so.

But having said that, there are a number of municipalities, many of them in my part of eastern Ontario, which when they hear the new Premier and the new minister, impressed as they are by the sense and the determination, will simply ask me, in Brockville, in Smiths Falls, in Belleville, in a variety of other communities, many of them in my own county of Renfrew, "When are we going to know if we have made the cut for the 1991-92 capital programs?"

I was in the Sudbury basin not too long ago and there was a lot of excitement—some of it I think more than passingly informed, quite frankly—about one of the old grievances, which certainly is a grievance in my area, namely that the capital grant formula, particularly as it relates to the sort of pre-Cambrian part of Ontario, when you look at communities of 1,000 or 1,500, people who have to pay a 15% share of a multimillion-dollar expenditure—that they simply cannot easily imagine.

Certainly travelling in the Sudbury basin the other day, there was a sense of high excitement that this was going to change and that we would be soon hearing of it. I thought to myself, "Well, there may be two very good reasons for that change," and I would be the first to praise those people if they had been able to do what some of the rest of us were conspicuously incapable of doing at an earlier time in something of the same place.

There is a lot of interest in and concern about those capital allocations and what the municipalities can expect. A few people were even so bold as to inquire aloud as to the fate of the former government's crown agency, which I am just assuming is history. I think it has been announced as a non-starter since the new government was, certainly in the events of August-September, rather categorical, that is, the party was rather categorical about the inappropriateness of—I will not say what was said at the time, but it was pretty clear that from the point of the New Democratic Party, the proposed water and sewer corporation was at the

very least anathema, and if ever favoured with government, you can rest assured that it will not happen.

1310

Then I picked up the paper the other day and I saw poor Ms Goodall in Orillia. She had been led to believe that incineration would be banned as an option should the people of Ontario do what they did on 6 September and return the New Democrats to office, and here is poor Ms Goodall in possession of not one but two letters from the first minister himself, the second of which was apparently signed by his own hand, which suggests that in fact may not be what was initially suggested.

The minister looks quizzical again. I can only report what I see and what I read, that Ms Goodall seems like quite a credible witness. She said that she had a very clear statement from the leader of the New Democratic Party in the summer that incineration was simply not an option, not on. I can favour my friend from Etobicoke with a number of references from the files which suggest that she had a very similar view about the inappropriateness of incineration as an option. So, like Ms Goodall, I am somewhat confused when I read not one but two letters, the second signed by his own hand, which states that it may be an option of last resort and that the previous government's policy of incineration is "under active review," in that second letter signed by his own hand.

It appears that there is a growing gap here between a promise, which was I think legitimately offered, and performance, which is now being worked upon. I am sounding perhaps a little more mischievous here than is my normal wont or than I want to be, because certainly as a citizen, I am fully expecting that over the course of the next four or five years we are going to see some real sparks around this issue.

I was struck, again in just the last couple of days, to hear about some of the pilots, I think one of them actually being sponsored by the Ontario government—I think it is in Cobourg—around pricing, charging for garbage. In Peterborough, I gather, they have proceeded on their own. Certainly Metropolitan Toronto as a regional government or some of the various constituent parts of the region have already indicated a desire to proceed. I was struck, travelling through Peterborough the other day, how the Minister of Energy was concerned about the equity aspects of such a policy, as to what kind of efforts were going to be made by the government of Ontario, of which she is a part, to build in some equities so that families with several children, for example, would not be discriminated against to the advantage of bachelor members of the Ontario Legislature who might, under certain schemes, do very well by comparison. In fact I was struck by how Ms Carter, the member for Peterborough, the Minister of Energy, certainly seemed to be saying that the whole idea seemed to be flawed.

I am interested in knowing a bit more about the new government's flavour of new directions in this area, because it seems to me that is the kind of policy which will attract a very high level of immediate public attention. I know that certainly the people I represent will be very interested to know what you will do if you have a good

experience out in Cobourg or Port Hope, and what kind of time line you have for new directions in this area. Time lines, of course, are going to be extremely important in the course of the next six or seven hours. I am interested to know what your time lines are for some of the MISA regulations, the whole past debate about levels of discharge, similarly with the clean air policy.

The helpful thing is that the record is replete with detailed proposals authored by the now minister. While some of this might have to be tempered by the realities of 6 September, I am assuming that we can all expect from a green party in government that by February 1991 there exists a fairly clear timetable to move along with the MISA regulations, the clean air regulations; how, for example, you are going to improve upon the packaging protocol to accommodate the Premier's vigorous protests of last summer. I will simply leave it there, to give you some sense of the flavour of my inquiry.

The Chair: I would like to recognize Mr Cousens.

Mr Cousens: I am glad to be here as well. I think it is an important eight hours for us to spend on one of the most important subjects facing all people on earth today, and if we can maybe contribute to an improved process and find out what the government is doing in a detailed way, I think it is an extremely valuable use of time.

Again, I want to say in beginning that we have the right person as Minister of the Environment. I do not think there is anyone who does not have a great deal of respect for the person who was the critic for Environment and saw her as one that brought many skills to the table. Certainly her appointment as minister reflected, I think, an honest evaluation of her skills.

None the less, the words that come from the minister really have to be translated into action that starts to make certain things happen. The challenge before you and all of us is great, and we wish you well on it, we really do. Sometimes in our questioning and our searching for solutions it may seem as if you are alone, but the fact of the matter is that if you are not successful we all fail. I think we all have to understand that there is a shared responsibility on environmental matters.

I also compliment you on your deputy and your staff. I do not think anyone can do a job unless she has a very conscientious, keen, capable civil service behind her and backing her up. My contact is somewhat limited, but I have to say that the executive director of corporate resources division, some of your people in the operations division, your own office staff and administrative staff have been very responsive to us. One can be critical on small points, but I sense a desire to share and to work together with us on things they can, and I encourage you to continue in that spirit.

I think there is a fundamental problem, and it has to do with the process under which we are all working. If the environment is really the issue we all say it is and believe it to be, then we as legislators should be working far more closely together than we are, yet we are into the confrontational atmosphere of the Legislature. You are on one side of the House; we are on the other side. You are on one side

of the table now. It is seldom that you will see the three parties sitting around the same table together dealing with issues and talking about it for the real value.

So we are forced into this business of estimates. We will spend eight hours: The Liberals will have a certain amount of time, we will have a certain amount of time and your own caucus will have a certain amount of time, but the likelihood of ourselves meeting with you and talking about issues and really sitting down and saying, "Here is a commonality to it"—

## 1320

When you talk about the NDP being a green party, I happen to believe that our former critic of the Environment, Margaret Marland, and previous renditions of critics and ministers from our party gave leadership in their time and in their way that helped bring the whole process forward. When you began your remarks, you said "in the last five years." Well, the Ministry of the Environment did not start five years ago. It started years before that, when Harry Parrott was the first minister of it. Not everything happened then, but there is an evolution towards improved environmental concerns, values, regulations and systems that will cause our province to become more of a long-term province. We are not going to survive unless we take this far more seriously.

So when you said five years, there was far more happening before the last five years, and I just wanted to pass that on. It is part of the division that certain people are happy to make: "Okay, we're in power so we're going to do certain things," or when the Liberals were in power under David Peterson and they had their own approach to things. Quite candidly, we are all green. Margaret has a lot of green on and you have some. I am afraid I am wearing blue today. Oh, is it green? It looks like aqua. It is a good colour, anyway; nothing bleached about that one.

The point is, let's begin to look at another way in which we can all be working together. We are not right now. Maybe the kind of thing where you stand back from the ministry for a minute and realize that when you were in opposition there were many criticisms you had, and I think you brought a good spirit to the Legislature in the way you went towards Mr Bradley and criticized him. I think he was maybe the only minister you were a critic of, and I liked your approach: It was good, it was honest.

But let's get out of that. Are there things we can be doing in this Legislature where we—for instance, your round table is a good approach, but why are there not some representatives from other caucuses? You are chairman of it. Why is there not someone from the Liberal caucus or from our caucus so that we have a way of knowing what is going on and feeding into that process? Why are there not opportunities for us to go if there is a seminar or a conference on environmental matters? You know as well as I do the limited financial capability of opposition parties to fund anything. You will have opportunities to go to Sweden to see what is going on at international conferences, or the United States. You should, because things are happening worldwide and representatives from your ministry or your staff will undoubtedly be taking part in some of these

and should be because of the need to. It is not just a local Ontario problem, it is a world problem.

We should somehow find ways of working together in the long term. If it means getting that information together, I will just put forward the statement that if it is worth while and has benefit for the ministry and the staff or if it is something that could be of use in the Legislature, then open up the horizons so that people other than the minister and her own staff might go as well. I say that publicly because some people say, "Oh, there they go again on another trip." Far from it. It is only through those interactions that take place at the political level and the staff level that we grow and learn in the process of doing our job.

I am saying find those opportunities where we break through the logjam that is the system we are in. The system we are in is not working. I am not thrilled with the way our Parliament in Ontario is working. We are slow to react. The system we are in almost demands that opposition members criticize, criticize, sometimes very destructively, and that is not the view our caucus has. If we can see something that is going and it is good and there is a sea of goodness to it, let's promote it; if there are other ways in which it can be improved, let's bring that forward.

But let's have the balance that allows us—not everything is going to be perfect, but hopefully on environmental matters we start breaking through the parochial limitation that has been part and parcel of our operations ever since—well, Sean Conway has been here longer than anyone; I would not say too long—15½ years, and it has not changed. You get one government coming and going, and who knows how long you will be there? So let's begin to see some leadership towards that kind of working together.

The next story I come into is the promises that were made before. The minister, as she is now, and Ruth Grier the opposition critic are two different people. The degree to which the one was making promises and the other can fulfil those promises, the degree to which her party before was able to make statements and now has to kind of rationalize the way those statements were made, becomes one of those things where people are looking for a credible response on these issues. If you have to back off from previous promises, come clean and lay it out in the open so we can understand what that is. When you look at Keele Valley, what is going to happen to that, or Britannia? You raised, in your own points, the key issues. How are you going to deal with those issues in light of the responsibility you have today and in light of what you thought you would do before you took the responsibilities you have

You are dealing with a situation where anyone is in a position to learn and grow, and to that extent we are prepared to forgive and understand that what you are into now might well mean an explanation of why you said certain things and now can no longer deliver them.

I am concerned about how the minister and the ministry respond to emergencies. The Hagersville tire fire—we just celebrated one year and they are only going to have green grass growing on those lands this spring. I think there has been a tremendous effort by many people to face

up to what that emergency was all about, but we could still have another Hagersville, we still have not dealt with the tire issue, we are still not too much further ahead on the recycling and use of tires. There are 19 million tires a year in Ontario that we continue to accumulate. Is it more or less? I do not know.

Hon Mrs Grier: About half that.

Mr Cousens: Is it half that? Does that include trucks and everything else as well?

Hon Mrs Grier: Yes, 1.2 million trucks, 6.8 million private automobiles a year.

Mr Cousens: Times four, or is that the number of tires?

Hon Mrs Grier: That is the number of tires.

Mr Cousens: Just a horrendous number, and the percentage of those ending up in landfill sites—What are we doing with them or what can we do with them? And the use of the tax that is being collected now, \$5 per tire, I am going to touch on that one.

But dealing with problems and emergencies becomes what I see as a worry. When Elk Lake became a real situation last fall, I have no doubt that if it had been the Don River rather than a river in northern Ontario you would have seen the people of the province rise up and have a resolution to that problem—or at least try; there would not be much they could do. But it was in Elk Lake, and how did you deal with it? I am not going to worry about the details. Now it is an emergency. It was not an emergency until Mike Harris, the leader of our party, was up there and said your ministry was very, very slow to respond to the Elk Lake situation. I am interested in a long-term resolution to and approach to emergency measures in the province of Ontario.

The minister mentioned a number of activities but did not mention clean air in her opening remarks. I was a bit surprised at that, especially with the importance that should be attached to it with a number of the matters that are there. I will certainly be raising questions on that. I see a number of things to come up in our estimates today: there is the air, there is water, there is waste, there are tires and PCBs and there is the research of your ministry. We are looking at the round table. I think there are numerous things we are going to want to discuss with you and your staff. I hope that if you do not have the information with you today you can circulate it to us so we can be apprised of that information.

I think the spirit is right. We have to accept the fact that there is not the sense of urgency in the world that there should be for environmental matters, so Ontario might well be in a position to begin to give leadership outside of its own jurisdiction. The degree to which we are doing that is an important thing. For instance, the federal round table is not working all that well. What are we doing when we look at the Brundtland commission? How are we really fitting into the world scene? I think we have a challenge, where Canada can be a leader and Ontario at the forefront of giving that kind of leadership.

1330

I do not want to make too many other remarks. I think the time will probably be split among ourselves, Mr Chairman. The one thing the minister could do, if there is a few moments left of my time, is indicate to me who she has on staff and what her staff consists of. You introduced the one person you have with us today. Could you tell us who is on your staff and what their functions are? Then I will have a better feel of who is really there.

The Chair: You have 15 more minutes. You can do Q and A if you want.

Mr Cousens: If I can do a few, on the minister's staff and a few other little questions in that 15 minutes, I would appreciate it.

The Chair: You have up to half an hour. If you wish to engage the minister in some direct questioning as part of your half-hour, feel free.

**Mr Cousens:** Unless Mrs Marland would like to add a few remarks at the beginning, I had a few questions I did want to ask.

The Chair: You still have 13 minutes to do with as you wish.

Mr Cousens: Do you want to make some comments, Margaret?

Mrs Marland: Thank you very much. I would also, at the outset, like to congratulate the minister on her position. It is particularly interesting for the minister and myself, since we both served the same role in the past government for three years. I, too, like everyone else, am still optimistic that the kinds of steps you had asked the previous government to make you will still be committed to making those steps yourself.

I would like to give the minister an opportunity to answer a question to which we never received an answer from the previous minister although we asked that question a number of times. It is such a critical area, one which I know you shared with me when we were both critics for Environment. We shared this concern a number of times; we shared it on the select committee on the environment. It is a matter you really are going to have to take a position on and be front and centre with. It is not like saying to you that now you are minister you are not going to say the same thing, because I do not really believe that in any of the areas you stood for before you became minister. I would like to give you the opportunity and ask you very simply: Are you in favour of incineration?

Hon Mrs Grier: I was going to pick up on some of the questions in the general statements and make a response collectively, if you would rather do that, or do you want to get into specifics? I am happy to answer that one. I am not in favour of incineration of municipal solid waste.

Mrs Marland: So that will mean that that will be the position of the ministry as long as you are minister.

Hon Mrs Grier: Certainly that is my position. I think you will find that, for example, the Ministry of Energy has stopped funding energy-from-waste projects as of 21 November. We are looking at the whole ramifications of incineration when it comes to biomedical waste and other

aspects, and we will be preparing a comprehensive response to those questions on that issue, but when it comes to municipal solid waste I made it very plain that I see that as not an option, and I have made that plain to environmental groups and to representatives of municipalities who have posed that to me as a solution.

Mrs Marland: I really commend you for your directness and fairness in answering that question, because for five years we have been trying to get that answer, you and I both, from the previous minister. I am very encouraged to hear your response.

I will just ask one more question; I do not want to take up too much of our critic's time. Incidentally, I would like to also say that you are working with a person who is very competent on behalf of our caucus as the source person for the Environment, and I feel that area for our caucus is well protected now.

In light of your position on incineration, do you feel that it would be fair for a proponent of an EFW plant—and I am thinking of St Lawrence Cement—would it be fair for them to proceed into an environmental assessment hearing with their proposal to burn municipal waste in light of your position of opposition?

Hon Mrs Grier: Certainly if it were municipal waste I think I would want to meet with them and make my position to them very clear. If they chose to proceed, knowing what my position was, I assume under the law they have the right to do that. But I am quite prepared to tell anybody who asks me that I do not favour incineration of municipal solid waste.

Mrs Marland: Thank you.

Mr Cousens: Could you just tell me some of the people who are on your personal staff so that I have a sense of who they really are and what their responsibilities are?

Hon Mrs Grier: Yes. I wanted, before I got into specific questions, Mr Chairman, if could, just to thank the critics of both parties for the comments that they have made, and in responding to Mr Cousens certainly to answer that question and also say to him how grateful I was for his kind comments about the response of ministry staff to his questions and to working with him. It is certainly my intention that that kind of co-operation continue. In fact, I think when we were discussing with your office a briefing on ministry affairs we indicated we would be more than happy to have the critic for the Liberal Party sit in as part of that, so that kind of interparty discussion that you feel is important I also consider appropriate.

I appreciate his suggestions if we were to travel. Given budgetary constraints, it had not been high on my agenda, but who knows? Perhaps the time will come. I have been to Belleville, I have been to Hagersville, I have been to—

Mr Cousens: Elk Lake.

Hon Mrs Grier: —Elk Lake, of course, and to Victoria for the federal-provincial conference, but that has been the extent of it so far.

With respect to Elk Lake, I did want to comment on your criticism that the ministry had not responded promptly, because—I am sorry to disagree—I think the ministry was on the spot almost immediately. When I vis-

ited Elk Lake a couple of days later, I was very pleased to hear from the reeve and from the people on the spot their appreciation of the fact that the co-operation between the Ministry of Natural Resources and the Ministry of the Environment had been exemplary and people had worked through the night laying water lines to provide alternative drinking water to the community. The spill was discovered in the middle of the night by an MNR officer who happened to live in the vicinity of where the tailings dam had broken, and by daylight, staff were on site trying to see what could be done. We have taken a very aggressive stance in issuing a director's order and requiring cleanup.

Again, we ought not to have to respond to those kinds of emergencies. I wish it could have been prevented. It would have been much easier, much cheaper and much better, but we were there and we responded, I think, very adequately.

With respect to my own staff, I have an executive assistant and two policy assistants with respect to environmental issues, and a legislative assistant as well as press and support staff.

Mr Cousens: So that is four people altogether then?

Hon Mrs Grier: Well, we have more than four in the minister's office, but with respect to policy, which I think was what you were referring to, we have two environmental policy assistants and a legislative assistant, and I have a policy assistant on GTA matters.

Mr Cousens: Just put the names on the record.

Hon Mrs Grier: Linda Pim, who was with me in the research here, and Joyce McLean are the two environmental policy assistants.

The Chair: If I might be helpful, the minister could perhaps bring a staff plan for her immediate office staff to tomorrow morning's meeting.

Mr Cousens: I think that would be helpful.

Mrs Marland: A flowchart.

Mr Cousens: Just a flowchart. And how many communications people would you have in your office?

Hon Mrs Grier: I have one communications person.

Mr Cousens: And then just general secretarial—

Hon Mrs Grier: Scheduler. I did not realize ministers need a full-time scheduler. Quite incredible, all of these support functions that one never dreamt one would ever need. But yes, it has taken us some time.

One of the surprises of becoming minister is that you walk into the office on the day one is sworn in. It is all very grandiose and one's name is at the top of the bulletin board, and then one finds that on the top floor of the ministry there is not anything, because that is one's political staff and it is gone with the former minister, so that acquiring staff, acquiring systems, setting up filing systems—it would be fun to try to do an organizational chart of my office at this point. I will attempt to do so by tomorrow and then I can share it with you.

1340

**Mr Cousens:** How would you break your time down between your responsibilities of the greater Toronto area and the Ministry of the Environment?

Mr Daigeler: Mr Chairman, at what stage are we now in the proceedings?

Hon Mrs Grier: We are still in Mr Cousens's time, are we?

The Chair: Yes.

Mr Cousens: We are still in my time.

The Chair: Mr Cousens began at 1:17 and therefore he has about a couple of minutes.

Mr Cousens: I was using my time-

The Chair: I just indicated he had about two minutes left.

Mr Cousens: I was interested in how you break the time down.

Hon Mrs Grier: I cannot give you a time breakdown. I mean, to some degree it depends on the issues. One of the issues that has taken the majority of my time since October has been management of solid waste, and particularly within the GTA. That has frequently been something where the blending has been extremely helpful, so briefing sessions, for example, would involve both Ministry of the Environment people and OGTA people. It is hard to make a precise division.

**Mr Cousens:** Do you have a different staff for that, as well as your office staff?

Hon Mrs Grier: I have a policy assistant for GTA, but essentially administrative and media is all done through my—

Mr Cousens: Everything is all done through the environmental office.

Hon Mrs Grier: Yes.

Mr Cousens: Okay. I will wait-

Hon Mrs Grier: Oh, yes. There is of course ministry staff and bureaucratic staff, as opposed to my—

Mr Cousens: So Gardner Church and that group would report through to—

Hon Mrs Grier: Which is a very small group. That is very much a co-ordinating function, and under the past administration they had not had a very large allocation of staff or line functions, and I certainly think that is the most appropriate role for that group to play, to be a group that crosses ministerial boundaries and can in fact co-ordinate around issues or concerns that affect all of the regions within the GTA.

Mr Cousens: That is good. I know that we will be having a chance, but thank you very much.

The Chair: At this point I would like to offer the floor to the minister, who has up to half an hour to respond in any fashion she sees fit to the points raised from the two critics.

Hon Mrs Grier: Well, I did not certainly want to take half an hour. There are times when I wish I had the attributes of my predecessor, and I guess this is one of them.

So I will not take half an hour, but I did want to respond to Mr Conway and thank him for what I think were compliments in some of his opening remarks. I was distressed that he would think that transition from critic to minister had somehow diminished my sense of clarity.

Let me tell him what joy I take in recognizing that the transition from minister to critic has certainly clarified some of his thoughts, and abbreviated them. It is interesting to see how we all cope with these changing roles. He also, I think, was anticipating some answers to some hypothetical questions which I am sure he himself, in a former life, would not have wanted to respond to. But I do want to respond to his comments on the crown corporation because he is quite right.

As critic, I was very critical of the idea of such a crown corporation, and particularly in the manifestation which had been proposed by the previous government, which was essentially a body that I saw as being to facilitate new development as opposed to rebuilding and revitalizing the existing infrastructure of our sewer and water systems.

What the government has done is appoint a deputy minister, Len Pitura, who was with the Ministry of Industry, Trade and Technology, to examine the rationale behind the idea of a sewer and water corporation, to discuss with both the municipalities—which have a very real concern about the lack of funding that has been available in the past for these services—and with the Ministry of Municipal Affairs and with my own ministry the basis on which the suggestion had been supported by the previous government, the pros and cons of proceeding in that manner and, should the government decide to proceed with a corporation, the best way in which such a corporation would be structured.

So while no definitive decision has been made as to whether or not there will be such a corporation, this government is very open-minded and prepared to adopt any ideas that appear to have merit.

Mr Conway: Can I just pursue that for a moment?

The Chair: With the permission of the minister.

Hon Mrs Grier: Absolutely.

**Mr Conway:** Because there are two things, and I want to be as clear as possible. You have said two things here that really interest me, and let's take the last one, the question of the corporation.

It was absolutely clear what the position, particularly of the member for York South was, and I respect that entirely, and I was really impressed by the vigour and the clarity of his denunciation of the previous government's initiation in this respect. Boy, was there some colourful language used to describe some of the motivation of said corporation.

Now, you have told me something that is dramatically different from what I would expect. What I would have expected, and entirely respected, is the right of a new government to say, "Listen, that was them; this is us. They wanted to do this. We said absolutely not," for, as I say, some very clear reasons stated. You have now simply told me that you are quite prepared to consider pursuing with the corporation.

**Hon Mrs Grier:** The motivation is entirely different, Mr Conway, and that is the supreme difference.

Mr Conway: Well, you know, you are doing Jim Bradley proud here, because I thought what I would expect you to tell me, and I would have fully understood, is, "We told the people of Ontario a year ago that that corporation, in principle, is absolutely unacceptable." Now you are telling me—and I respect your right to do this, but I just want to be clear about what you are telling me—is, "We are now prepared as a government to look at the motivation that gave rise to the previous government's establishment of and creation of the water and sewer crown agency."

I just submit to you that is significant news to me. That is, from my point of view, a significant departure from what you said a year ago and certainly would be viewed by the ordinary person in the street as a very significant variation from what was stated and expected. We will probably continue to differ on that, but you really surprise me.

Hon Mrs Grier: Well, I am sorry. The Hansard was pointed out to me very recently in which certainly my position had always been that perhaps this kind of corporation had some merit. I was very concerned at the motivation of the previous initiatives, which appeared to be entirely directed towards facilitating new development, and I had grave doubts as to whether the Ministry of Municipal Affairs was in fact the appropriate ministry to which such a corporation could respond.

That view has not changed one iota. What is being examined is whether in fact such an entity, seeing that Mr MacLaren had been appointed by the previous government, has been out there consulting on whether or not such an idea is a good one and whether it is in fact a good one. And if it is a good one, from the motivations and the point of view of this government, how should it be structured and to whom should it report?

Mr Conway: I appreciate the clarification. It is at, in my view, very considerable variance with what the leader of the government stated very clearly and repeatedly over a year ago. I do not quarrel with your decision; I just observe what I consider to be a dramatic departure from what was stated and clearly intended a year ago.

Hon Mrs Grier: Let me just respond. I think the dramatic departure is that in this government the Minister of the Environment is playing a significant role in the determination as to whether or not the corporation makes sense, because Mr Pitura is reporting to both myself and the Minister of Municipal Affairs.

Mr Conway: That observation is based on an assumption that I just do not think you can reasonably make. I do not dispute how you feel about your participation, but it assumes a knowledge of a prior situation which you cannot have. But that is not my primary concern. What you have told me this afternoon is quite significant, because I expected you to tell me, and would respect entirely: "Hey, we are new, and we don't think now what we said then. We do not think this is a very good idea. To hell with it. We are going to do it differently."

Hon Mrs Grier: We are.

Mr Conway: What you are telling me is not a qualitative difference at all. There may in fact be a nuance of difference; there may be a difference of a non-qualitative kind. But I do not want to waste too much—

Hon Mrs Grier: With all due respect, Mr Conway, you are putting words in my mouth. What I said to you was, this government was re-examining the basis and the motivation for such a corporation, was determining whether or not that kind of corporation, essentially from a financial point of view, made sense, and if it in fact made sense, to whom it should report.

Mr Conway: I respect what you are saying. I just said the words issuing from your mouth now are substantially different from the words which issued in clarion fashion from the mouth of the member for York South a year ago. But you do not need to comment on that. That is a matter of public record.

**Hon Mrs Grier:** Well, the member for York South is not here; I am.

Mr Conway: Well, he is here in another respect, and—

The Chair: Mr Conway, excuse me. Before this becomes a complete debate, this is the minister's time, and I think it would be helpful to remind the minister that this is her period to respond to all the questions raised and not to devote an inordinate amount of time to the points that you are now engaged in a discussion on. I think it would be helpful to the whole committee if I just state that, but we are in the hands of the minister if she wishes to continue the debate with Mr Conway. It is her half-hour.

1350

Hon Mrs Grier: I am sure there will be other opportunities. I merely wanted to respond perhaps in a procedural way to some of the points that Mr Conway had mentioned. I think his interest in OWMC is one to be expected and that we perhaps might want to go into—and I wondered, Mr Chair, if the committee would like to have Dr Chant here to perhaps discuss directly with the committee the authority and the work that is being done there. If that will be helpful to Mr Conway, we would be glad to ask him.

**Mr Conway:** No. I am a big fan of Dr Chant, but I do not need or want Dr Chant. What I want to talk about at some point is just the story that is OWMC.

The Chair: All right. Thank you, Mr Conway. But the minister does raise a point in the fact that these are new estimates, albeit late and beyond their normal time. I have not received any specific request from any committee member that certain individuals specifically be asked to attend. I just want to share that, and should any persons wish to have someone or certain persons in attendance to respond to questions, please let us know that. The minister may have some additional names of individuals whom she would like to recommend.

**Mr Conway:** The conversation that I imagine, Chair and Minister, is simply at a very general level. You might want to gather some of the data, but I certainly do not need Dr Chant for that.

The Chair: Thanks, Mr Conway. I do wish to ensure that this is the minister's time and let her continue with her response, and she will let me know when she is—

Hon Mrs Grier: I am happy to go into questions, Mr Chairman.

The Chair: Oh, you are prepared to proceed? Fine.

Mr Conway: Can I just go into-

The Chair: Well, let me just lay down some basic understandings here. It has been the custom in this first round of estimates with the new government to proceed on a caucus allocation, relying on the clerk and myself to ensure equitable distribution, beginning with the Liberals and then through to the Conservatives and then to the governing party. If there is agreement to proceed on that basis, I will proceed. If there are any questions, I will answer those now. Seeing none, then we will proceed on that basis. Mr Cousens.

**Mr Cousens:** On a general basis, when the caucus has questions then they can go across the different votes, and at the end of this time, we would vote on all the votes at one time.

Ms Haslam: Stack the votes.

The Chair: That is helpful. Thank you, Mr Cousens. We have been stacking the votes for the conclusion of the estimates, which will be tomorrow, and there has been agreement in the past to deal with any of the four vote items simultaneously.

**Mr Daigeler:** Just to be on the safe side after last week's experience, is the minister going to be here tomorrow?

The Chair: Yes. The minister has indicated she intends to—

Mr Daigeler: Thank you.

Hon Mrs Grier: That was certainly my intention.

**Mr Conway:** I expect to pick up then where we were.

**Ms Haslam:** Excuse me then. Mr Chair, I would like clarification. Are we now into the Liberals' 15 minutes of questions?

The Chair: I was about to suggest that. Mr Conway is most anxious, but we are getting to him.

Mr Cousens: Let's just take it further. I am new to this committee. Is it 15 minutes, 15 minutes, 15 minutes and then you keep going that way?

The Chair: If somebody by accident goes almost to 20 because the minister is in an in-depth response involving staff, then I have been known to extend so that everybody gets the equal time. But we are starting with 15-minute time frames.

**Mr Cousens:** So it is 15 minutes solid there, 15 minutes solid, and then it rotates around.

The Chair: That is correct. Very good. Mr Conway, you are on.

**Mr Conway:** Minister, again, I want to just pick up on that last point and then move into an item that arose out of your conversation with the member for Mississauga South. Again, I do not mean to be as adversarial as I am sure I sound. But you have told me something that is surprising.

I, as a person looking on, would have expected—and believe me, I would have respected entirely the announcement that I anticipated—which was: "No. Remember what we said when they announced that crown agency for water and sewer?" It was a difference of a fundamental kind, as I remember the Premier, and I have got the material here so I can—and I do not diminish what you are saying, but I do respect the fact that in our system the leader of government does set a tone and a direction. So I fully expected that I would be told that corporation was history. Anything less than that is news to me. I do not want to beat a dead horse. You have told me what you believe and I respect that. I just put that in the category of hard news.

Similarly, in responding to the member from Mississauga South, you said something that at one level did not surprise me at all because I have heard you before. You have been very eloquent and very passionate on the subject of incineration: "Nyet." However, I then am sitting back and thinking, "I am up in Orillia and I am Ms Goodall and I have been talking to and corresponding with the leader of the government. I respect entirely what the Minister of the Environment is saying, but I have by his own hand a letter which says something different than you have said, a letter couriered just days ago."

If I were Ms Goodall and I were in this room I would be extremely pleased, because: "I have heard from you what I always heard from you and quite frankly what I wanted to hear. My only problem is I go through my file and I have two letters from the leader of the government which do not give me that level of comfort. You have been clear and categorical in a way that the member from Mississauga rightly observed and complimented you for. However, the leader of the government has certainly been something less than that. He sent me two letters. The first said it was an option."

Hon Mrs Grier: But reduction and reuse was highly preferable.

Mr Conway: All of that, but I am remembering what you just said, and he has now said: "In contradiction to what he told me," she says in Orillia, three, four or six months ago, "and he was as good as Ruth Grier. He told me clearly it was not on. I get a first letter that says, 'Under certain conditions, it might be on.'" That is the letter no reasonable person would read any other way. Then a second letter which says, "the policy is"—my favourite euphemism—"under active review." So again I put that in the category of hard news. You have been I think very definite and you are to be commended for that. There seems to be a real gap between what you have said and always said and what the leader of the government has said on second round, and I just make that observation.

Hon Mrs Grier: Let me respond to that if I may, Mr Chair, because I think, with all due respect to the member, he is reading more into a situation than is there to be read. Party policy, my policy, the Premier's policy, has been not to support incineration of municipal solid waste. The lead ministry traditionally in this area has been the Ministry of Energy. They have stopped funding energy-from-waste proposals. There are a whole lot of other aspects of incineration

that are under consideration: The PCB burning in Smithville, wood waste that is sometimes burned in the north and biomedical waste for which in fact incineration may in many instances be the only solution. It has been the position of the government that we needed to have a comprehensive evaluation of policies with respect to incineration. That has not yet been brought forward. That is not yet ready to be revealed. But I want to disabuse anybody who ever thinks that I support incineration of municipal solid waste.

Mr Conway: Two things: My colleagues are mining the transcripts from the appearance of your colleague the member from Peterborough, the Minister of Energy, who they tell me was much, much less clear than you seem to think she was when she was before this committee. They will speak to that because I was not here. Second, I think perhaps most helpfully I would just simply ask you then to do me this little favour. Would you ask the leader of the government to write a third and final letter to Ms Goodall in Orillia saying all of the things that you have just said?

Hon Mrs Grier: No, much better than that, Mr Conway, I have asked my staff and my ministry to expedite bringing before cabinet a comprehensive policy with respect to incineration so that I can clarify everybody's misconceptions as early as I possibly can.

Mr Conway: But you see, I know you want to. I know you want to disabuse the general sense of cynicism about politicians. I am very sympathetic to Ms Goodall. She touched the hem in Orillia, in July or August, and he said very clearly: X. He writes a couple of letters after his time in government that say much less, and she, not me, has observed the gap. All I am saying is that you have been consistent and I admire you for that, but it is—

Hon Mrs Grier: The Premier has also been.

Mr Conway: Well, Ms Goodall is there and I was not, and she has protested loudly that there is a real want of consistency. I guess all I am saying is if you will not do it, I understand why you will not do it, but I just really think this is an important point and I would like to see this matter dealt with so that the government speaks as one on the question of incineration. If that is not possible, then let's move on to the question of Metro waste.

Mrs McLeod: It was, perhaps just to add another couple of questions to attempt to get some further clarification on your government's position on energy from waste, which is a term that you sometimes use in a very broad way and a term which you sometimes seem to be using as it references specifically energy from burning municipal solid waste.

There is, I think, some reason for our confusion about your government's policy and I was attempting rather quickly to reference the responses of the Minister of Energy at an earlier estimates session. If I might just indicate to you, since you were not there either, the comments that were made by Mrs Carter in response to questions from the Conservative opposition, Mrs Marland asked, "When you get down to the last bit of garbage, would you burn it?" And the Honourable Mrs Carter responded: "Then we

might find that energy from waste does make sense for some categories, but then, of course, even then we have to consider the environmental aspect of it and make sure that we are not burning anything so that we end up with pollution. It may be that with tires, for example, that some process—somebody wants to microwave them; I do not know whether you would call that burning or not."

Later in response to a supplementary question from Mr Jordan, again emphasizing the fact that they were asking about a process that would follow the ultimate achievement in recycling and reuse and reduction, Mrs Carter said: "When you get to that point the question is the environmental one as to whether we can do this with complete environmental safety." So it did not seem to rule out energy from waste as an option in that series of responses.

When you indicate that the Ministry of Energy, who was the lead on the program, has ceased funding energy-from-waste projects, does that include all energy-from-waste projects at this point? Is that your understanding?

Hon Mrs Grier: That certainly is my understanding, but I was not present during the testimony of the Minister of Energy before this committee and I have not seen her answers. I would much prefer to let her answer for her ministry than for me to do that.

Mrs McLeod: May I ask you then, as Minister of the Environment, specifically in relation to wood waste—because there have been a number of energy-from-waste projects involving wood waste, and diversion of wood waste from landfill sites I think is an important priority in the production of landfill site use in your mind—do you feel that ban of even considering energy-from-waste proposals should extend to energy from wood waste?

Hon Mrs Grier: Well, as I say, that is precisely why I think there has to be a collective decision of the government on all aspects of incineration. I was confining my categorical statement to municipal solid waste and I have no hesitation in saying that as far as I am concerned, that is not an option for waste disposal in Ontario.

Mrs McLeod: I hope that there will soon be some clarity on that issue across the ministries of your goverment, because certainly—

Hon Mrs Grier: No question. I hope so too.

Mrs McLeod: —and again coming back to the wood waste issue specifically, there are a number of impacts of an integrated planning process that I think can involve environmentally sound use of wood waste for energy recovery.

Just finally then, if I may, does your ministry have any impact analysis from a purely environmental impact perspective of municipal solid waste that could be used, that could be incinerated, the carbon that would be produced from an environmentally sound incineration process. I know you may argue that there is not an environmentally sound incineration process, but there is at least one project that has recently passed Ontario's environmentally sound process, under regulations. So if we can assume that under an environmentally sound process, under regulation, the amount of carbon that would be produced by burning that municipal solid waste—how that would relate to the amount of methane

that might be released from a landfill site with a corresponding amount of municipal solid waste?

Hon Mrs Grier: As I am sure you will appreciate, I was not the minister during the time of the approval of the facility to which you refer, so I think I would have to ask somebody in the ministry to respond to that, Mrs McLeod. I do not know whether those kinds of studies were done or not.

Mrs McLeod: Actually, if I may, I am less asking now about a retroactive analysis of the regulations that project passed through, but more the impact analysis of the incineration of municipal solid waste versus the methane released from a landfill site with a corresponding amount of municipal solid waste. In other words, I am looking for a differential environmental impact analysis.

Hon Mrs Grier: I cannot tell you whether in fact those studies have been done, but that is the kind of assessment that presumably would have to be part of a submission to cabinet in the determination on the issue.

Mr Conway: Just again on that subject, I have been involved with one of your colleagues the Minister of Natural Resources. It will be no secret, for example, that in much of the forested part of Ontario there is a real interest in improving the stand of timber and cleaning out a lot of the low quality material.

One of the options that seems to be of real interest to Natural Resources and Energy is in fact my colleague the member for Fort William's very point about generating some electricity by burning in some fashion the poplars and birches and what have you. Quite frankly every discussion we ever have about the subject, and it may be impossible, but there are a lot of people working very hard who see it as a very major part of rehabilitating our forest industry, that we do not get two paragraphs into any discussion without the MOE flag going up. So I am just assuming that there is a very active dialogue at some level in the ministry with Natural Resources and Energy on those questions.

I want to talk about Metro garbage because I was struck this morning by the discussion, and I want to get back to the point. I am a resident of Metropolitan Toronto for the sake of this argument. I have been following the press and it appeared to me in recent times that the intermediate step that might resolve this problem of the Metro landfill difficulty was Kirkland Lake.

A lot of people have been spending a lot of time and a lot of money, big announcements, and all of a sudden I hear there is trouble. Something about a letter not coming from the Ministry of the Environment to Metro council to pay for a study. I am just going from what I would hear and read in the popular press. My question to you is, where does the Kirkland Lake proposal sit at the present moment from your point of view?

Hon Mrs Grier: The Kirkland Lake proposal was one of the options explored by Metropolitan Toronto under the aegis of the Solid Waste Interim Steering Committee established by your government. When I took office I was confronted with the fact that a hearing on an interim site under that SWISC process was about to occur with respect

to the site in Whitevale for an interim site that would be the precursor of a long-term site for which at that point Kirkland Lake was one of—I cannot think—a number of candidate sites.

I, in opposition, had been very concerned that the process by which the interim sites in Whitevale and in Mississauga were going to be approved was not in accordance with the environmental evaluation, the Environmental Assessment Act, that it was going under the Environmental Protection Act. So I indicated that this government was not prepared to allow those interim sites to proceed to approval under the existing process and that we would work with the regions within the greater Toronto area to seek a long-term site for the disposal of the residue, and that our first priority had to be to reduce the waste being generated as much as we possibly could.

That has been our first priority, and as I indicated, we have made some concrete steps towards doing that. It is certainly my hope that as a result of those activities we will have, if you will, bought ourselves enough time within the existing landfills that we can then go towards the selection of a long-term site as opposed to the interim sites.

#### 1410

When it comes to choosing the long-term site, my first priority has to be what is most environmentally acceptable, and so it is our intention as we work to establish a public provincial-municipal authority that will be the proponent in the search for a long-term site, that we give that authority when it is established, which will have to be by legislation in the next session of the Legislature, a set of criteria in order to facilitate its search for a site.

Those criteria have to be first and foremost environmental criteria, which is why I referred to the examination of agricultural land, areas of natural scientific interest, and areas with specific geological or special formations. Those would be exclusionary criteria—wetlands, obviously. One of the criteria that had been used by the SWISC process was that the whole province could be the area of search. I am looking at that. I am looking at that from the point of view of, is that the best environmental criteria to use?

I met last week with a number of the groups whose neighbourhoods have been candidate sites under the previous process, and I also met with the heads of the councils within the GTA to hear their very differing views on what the criteria for that search ought to be. It was as a result of that meeting and a very open and frank discussion about the merits of various solutions to the problem that the representatives from Metropolitan Toronto council who were there decided that they did not want to proceed with exploring the rail haul option at this time.

As part of our work we had asked Metro Toronto to continue to keep its options open, and as a result it had renegotiated or re-signed its agreement with the council of Kirkland Lake, I think some time before Christmas. They have now decided, as I was able to tell them that I hope to have those site criteria available before too long, that they did not want to proceed down that road until I was able to be clearer with them as to what the site selection criteria ought to be.

Mr Cousens: It is a subject that I am interested in. Do you have the criteria as defined in your own mind as to some of the guidelines? You speak of the environmental superstructure and the umbrella. What are some of the specific criteria that you are looking at for a selection?

Hon Mrs Grier: The environmental criteria? Well, as I say, the exclusion of class 1 to 3 agriculture, areas of natural scientific interest, areas of wetlands, a number of—I would be happy to provide you with those specific environmental criteria.

Mr Cousens: Oh, that would be good.

Hon Mrs Grier: Really, many of those were developed by the SWISC process. That discussion has not been completed and transmitted to the new authority.

Mr Cousens: Do you share that with the committee-

Hon Mrs Grier: We can certainly share the basis of what other work has been done by other agencies on developing those. I have not got my own criteria finished as yet, but I can give you the discussion paper that has been the basis for developing those.

Mr Cousens: That would be very helpful. So Kirkland Lake is not excluded, then, from the plan and you see it as a temporary withdrawal from the city of Toronto, Metro Toronto, so that you have not excluded that at all by any of the action that you—

Hon Mrs Grier: No, the agreement that exists between Metropolitan Toronto and Kirkland Lake is still valid. What was discussed last week was a further study to look at how the rail haul of waste would work in cold weather, and Metro decided not to proceed with merely that aspect of the discussion.

Mr Cousens: So at this point you are not supporting it, you are not resisting it, and it could well come forward again when the ministry has developed some other—

Hon Mrs Grier: I have neither confirmed nor rejected that as one of the possible sites, but it will not be I who selects the sites. It will be the authority that is going to be put in place. What I am developing are a set of criteria that will be given to that authority in order to guide them in their search and in their site selection.

Mr Cousens: Okay. And you see that as legislation that you would hope to bring in this spring and approve before we rise in the summer?

Mrs Grier: Absolutely.

Mr Cousens: Is there anyone you have delegated to be responsible for this authority already who—

Hon Mrs Grier: The staff of the office of the GTA have been working with staff in my ministry to examine the criteria that have been used in the past and any refinements on them that we would wish to use.

**Mr Cousens:** Is there a lead person responsible for it right now from within your ministry?

Hon Mrs Grier: Erv McIntyre of the Ministry of the Environment who is here today has been named as interim general manager of the interim authority.

Mr Cousens: And he reports to Gardner Church?

Hon Mrs Grier: He reports to me.

**Mr Cousens:** I want to go back to waste management. Do you have an advisory committee that reports to you on waste management?

Hon Mrs Grier: I have a waste reduction advisory committee that was established by Mr Bradley. It is a multi-stakeholder group with a number of environmental groups, industry representatives, representatives from OMMRI, and staff from the ministry have been working very closely with that group in the development of a package of proposals to accelerate reduction, reuse and recycling.

**Mr Cousens:** The people who are on it are the same ones who were appointed by the Peterson government? Have you changed the guidelines?

Hon Mrs Grier: No. It had been revised by Mr Bradley I think very shortly before I took over, over the summer, to expand the membership. It had not really begun its work prior to my taking over on 1 October, so I met with them, was satisfied that there was a lot of talent, a lot of expertise and a lot of experience within that group, and asked them to put how we could accelerate the 3Rs at the top of their agenda. That is their mandate anyway, but I gave them a fairly brief time frame and said I would like to have some recommendations back from them on an action plan on facilitating the 3Rs. They have been putting a lot of work into that over this fall.

 $\boldsymbol{Mr}$  Cousens: Is this information public or is it coming to you—

Hon Mrs Grier: No, this is an advisory committee to the minister, one of a number of advisory committees that were in place when I got there which I felt it would be very useful to continue. Their work is advice to me, which will be part of the consideration that goes into my determination of how we can move more quickly to reduce and reuse.

Mr Cousens: Maybe it would be appropriate, if you could, that you elaborate on your waste reduction strategy now as it is coming out of that advisory committee, so we can get a sense of what your reduction strategy really is.

Hon Mrs Grier: It falls under a number of categories. They have been looking at what kinds of regulations should be put in place by the ministry. I am very conscious that most waste reduction is done best if it is closest to the people who generate the waste. The municipalities have been those who have been in the forefront of the blue box program; they are the ones who have the responsibility for picking it up. Some municipalities have moved far more aggressively than others. In Halton, for example, almost 23% of the waste is being diverted from landfills over its 1988 figures. The targets that were set by the previous government of 25% reduction by 1992, 50% by the year 2000, may well be met by a municipality like Halton. Metro Toronto recently has begun to make some significant moves towards the 3Rs. But I met just this week with the regional municipality of Sudbury—the critic for the Liberals was saying there was some anticipation in Sudbury. I meant to respond to that comment. I am not quite sure if there was anticipation of enhanced grants. It may have been anticipation of coming to meet with the minister.

Mr Conway: Better formula for capital grants.

Hon Mrs Grier: Well, we met with them this week and I was, frankly, a little shocked to find they are only just about to embark on a blue box pickup program. There are municipalities all across the province at different levels when it comes to reduction and reuse and even recycling, and I think we have to build on those partnerships and we have to put in place, from the ministry's point of view, a kind of program that will assist municipalities and those players already in the field.

**Mr Cousens:** Where is that program going to be?

Hon Mrs Grier: So the waste reduction advisory committee has been debating how best the ministry can facilitate those people in the municipalities, in the communities, who are doing waste reduction, whether it can be by way of regulation, by way of enhanced grants in order to continue and facilitate existing programs, by way of banning certain items for which we know there are markets from landfill sites. Part of that consideration has to be: How do we develop markets? It does not do any good to just say you can no longer dispose of X at a landfill if you have not assisted in the creation of a secondary source for that product.

What I do not want to see happen is that people who find it is too expensive or too difficult to dump their waste at a landfill site then drive up the first country concession road and dump the waste on the margin. When I meet with the councils and the reeves, in rural municipalities especially, they have expressed to me, as I well know, their difficulties with that particular situation, and their sense that I ought not to move too quickly to ban things from landfills, because they do not want it to show up in unauthorized locations.

All that kind of consideration is part of what has been on the agenda of the waste reduction advisory committee, and its recommendations and its advice to me will, I know, prove very helpful as I draft a program on the 3Rs which I hope to—

1420

Mr Cousens: Are you looking at a packaging tax, for instance?

Hon Mrs Grier: That is one of the options that has been suggested. The national packaging protocol, which is a federal-provincial initiative, talks to some degree about packaging taxes but in the very long term and again based on a voluntary compliance with reducing packaging, which is the federal approach. That is one of the difficulties we are having, that while we recognize that packaging is a nationwide issue the approach of the federal government has been very much to rely on the goodwill and the voluntary compliance of all of the players. My concern, given the urgency and time frames with which I am working, is whether I can rely solely on voluntary efforts or whether we are not going to have to move more aggressively to get serious about this.

Mr Cousens: Could you table for us a copy of what your waste reduction strategy really is at this point in time, so that we could see in point form—what I hear you saying is that you have committees, you are looking at differ-

ent municipalities that are successful. The chairman smiled when you mentioned Halton. He happens to represent—

Hon Mrs Grier: I am sure he was part of it.

**Mr Cousens:** He had to have been. I would like to see a listing or just some hard copy of your waste reduction strategy, if that is possible, because it is such an important part of your plan.

Hon Mrs Grier: Well, I certainly can file—I thought I had mentioned in my initial remarks the approach I was taking, but I would not want to mislead the member. I think it is probably premature for me to be able to table with him the kind of detail I know he would want, but I certainly would be prepared to give him the outlines of the kinds of initiatives we are thinking of, and I would really welcome your ideas, as anybody else's ideas, on how we can flesh those out and make them into concrete proposals.

**Mr Cousens:** Have you any sense of the expenditures on the 3Rs programs right now?

Hon Mrs Grier: No, I am sure somebody in the ministry can point me to the page on the estimates for what is in our budget for 1991.

Mr Cousens: Yes, but just on the 3Rs itself, could you indicate—

Hon Mrs Grier: André Castel is the assistant deputy minister.

The Chair: Excuse me. Please take a seat and introduce yourself and respond to the question.

Mr Cousens: He is looking better tanned than the deputy and you combined.

**Mr Castel:** I am André Castel, executive director of corporate resources division. The amount being spent by the ministry on the 3Rs is \$54 million.

Mr Cousens: Where did you find that? What section is that in?

Mr Castel: It is in the vote under waste management activity. I think it is in the second vote, environmental services.

**Mr Cousens:** Could you give a breakdown of that \$54 million?

Mr Castel: I can break it down for you: municipal recycling is \$25.9 million; municipal waste reduction is \$1.43 million; the industrial 3Rs is \$14.155 million; the financial assistance program is \$9 million; the waste management improvement program is \$3.25 million; the household hazardous waste collection is \$200,000; and there are various miscellaneous grants for a total of \$246,000; which gives us a total of \$54.181 million.

The Chair: Could someone direct us to that page in the estimates book?

Mr Castel: I do not think it is given in this kind of detail. Page 39 of the book that was handed to members.

Mr Cousens: The pages are not numbered that well.

**Mr Castel:** It is in the estimates book, the green book, page 39.

Mr Cousens: Wrong book. I will look at that when I have more time, then. I will come back to that because I want to look at page 39 once I have done it.

How many waste management master plans are there in progress right now, and the number of municipalities involved with them?

Hon Mrs Grier: Deputy, I wonder if you could perhaps give some details on that.

The Chair: We are waiting for a member of staff to approach the table and introduce himself.

Mr Wong: My name is Hardy Wong. I am a director of the waste management branch. Currently there are 44 waste management master plans—there are two coming on board very soon—covering about 180 municipalities and 70% of the province's population.

The Chair: Can you provide the committee with the names of those communities?

Mr Wong: Definitely.

Mr Cousens: I would like to have an updated list that shows the number of master plans in progress, the stage they are at, the municipalities involved and the level of funding that has come from the Ministry of the Environment.

The Chair: All these requests would come through the Chair, and we will distribute them to all members of the committee as soon as it is possible to have them in our possession.

Mr Cousens, you have about four and a half more minutes.

Mr Cousens: If you could just expand on what is happening with the waste management plan. You mentioned two, was it, that are—

Mr Wong: There is two at the planning stage. You see, before a group or municipality comes on board and it formally starts the master planning process, the participating municipality must pass the bylaw from their own council agreeing to participate and to financially contribute to their process because the ministry only provides 50% of funding. At the same time, they have to by agreement identify the lead agency, lead municipality, and the individual coming from that municipality will serve as chairman for the steering committee. It is the role of the steering committee, with assistance from the ministry, to hire consultants and launch the proper master planning process.

Mr Cousens: What are the two at this-

Mr Wong: I cannot recall the specific names, but they are doing that process.

**Mr Cousens:** I guess it is important to receive a copy of those updated lists and then we can have a sense of what is going on.

Hon Mrs Grier: Mr Chairman, perhaps the deputy could expand on that, because the question of waste management master plans and how they are going to proceed is one that we are concerned about. There has been a lot of frustrations about how long some of them have taken.

Mr Posen: Once the office of waste reduction is in place, we see the waste management branch concentrating on looking at the criteria in place for waste management master plans for seeing if we can provide greater clarity to municipalities as part of their planning process. I would ask you to keep in mind the minister's comments about the changes to the environmental assessment process, which should also contribute to a more focused and therefore more timely approval of waste management master plans in these municipalities.

Mr Cousens: What are the longest ones in process? I do not want to say in progress—in process? What is the longest—

Mr Posen: Hardy? The waste management master planning process began—

Mr Wong: It began as the outgrowth of what we call the area waste management planning process. The first municipality that started was Niagara region, and I believe they have finished. The terms of reference of eight years ago were very much different from today's terms of reference. The conclusion of the master plan calls for a generic identification of a waste management system rather than the current terms of reference, which requires the study to finish by identifying a preferred site and so on and so forth-much more specific. The reason that Niagara, the first one to start, takes that much longer is because the Niagara region act does not specifically provide the regional government with the authority for waste management. The result is in what they call the club system. The study identified and recommended that four clubs within the region shall be formed, and therefore a club, each individually, should develop very specific waste management preferred facilities and sites.

1430

**Mr Cousens:** How many have been approved all together? Am I out of time?

The Chair: No, you are not. Mr Wong, can you answer that? How many?

Mr Wong: Two.

Mr Cousens: Two. The total across the province of Ontario?

**Mr Wong:** That is right.

Mr Cousens: Does the minister have any expectation of what the number should be within the foreseeable future? It would seem to take a long time to complete one of these. Do you have any goals as to how quickly we will see a number of these approved? During your tenure or during the next year?

Hon Mrs Grier: No, and I am not sure that that is the appropriate way to quantify it. I certainly am aware and have felt in opposition the frustration that many municipalities have with the waste management master planning process. That is why, as Mr Wong has said, we are looking at it, we are looking at how we can clarify it, and we are looking at how we can, as one goes through the process, give some certainty to the proponents that, yes, as far as they have gone is acceptable, rather than having to continually open up the items for consideration and make it an

open-ended and never-ending process. But I think it would be inappropriate at this stage to say how many and how many not.

**Mr Cousens:** Has your administration changed any of the guidelines that would have to be followed in the process of—

Hon Mrs Grier: Not at this point, other than by indicating through the release of the environmental assessment improvement paper that we are certainly open to looking at how we can simplify, create certainty and create clarity in the process.

Mr Chair, I have to go for 10 minutes. I am very sorry, but I am sure ministry officials can answer all of the questions, and I will be back.

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**Mr Cousens:** Will I receive a copy of that soon, or what would be the time frame on—

The Chair: Hardy, how long will it take you to—

Mr Wong: If you want it directly sent to Mr Cousens, we can—

The Chair: No, through the Chair. How soon do you think you might be able to have that information?

Mr Wong: A couple of days. No problem. If it is that urgent, I can shorten—

The Chair: Thank you very much. The minister will be with us again very shortly.

Mr G. Wilson: I have a question that arises from the green estimates briefing book that I think the deputy might be able to help with it. It is on page 32, and has to do with the control of vehicle-related emissions. It says, "One focus for this year is the development of programs for the control of vehicle-related emissions." I would like some idea about just how serious this problem is and what are some of the initiatives that are going to be taken?

Mr Posen: I would ask Gerry Ronan, who is the acting assistant deputy for environmental services, to talk about the seriousness of the problem. I can certainly talk about the kinds of initiatives we are looking at.

The Chair: Mr Ronan, you have been introduced. Please proceed.

Mr Ronan: The ministry is looking at the vehicle emission strategy in the context of a whole air management strategy for the province. In that respect, the ministry has entered into some federal-provincial agreements, the environmental ministers and the federal government, with respect to what is called the NO<sub>x</sub>-VOC strategy, the nitrogen oxide and the volatile organic compounds that are discharged into the atmosphere. One of the key areas where these substances are discharged is through vehicle emissions and also the distribution systems associated with the sale of gasoline. So our ministry has been looking at a very focused approach in concert with other ministries, the Ministry of Transportation, Consumer and Commercial Relations, ourselves, the Solicitor General, to see what specific, focused things we could do in the short term that would have very discrete environmental benefits with, perhaps, minimal cost.

One of the things we have been looking at is what we call the stage one, the distribution of the gasoline products.

We are looking at all of the terminals, all the transport mechanisms that are used to distribute petroleum products and we have been consulting with the industry, the stakeholders, the truckers, all the partners in this enterprise, to see what technology could be introduced that would capture the volatile substances that evaporate during the day-to-day operation of these terminals and these transport trucks, etc.

There is general agreement that there is technology available, bivalve systems, coupling systems—you can capture lots of these fugitive emissions which would normally, in ordinary operational practice, escape to the atmosphere. Some of these modifications, through valves and couplings and engineering changes, capture a substantive amount of these volatile compounds and reuse them, so there is a net benefit to the distributor in terms of that it is a material that can be captured and sold.

We are also looking at the vehicle inspection process when there is a sale of a vehicle and we want to use this as another opportunity of looking at the emission equipment on the vehicles. Can we do a quick visual inspection during that opportunity to again see that the vehicle is in compliance with the regulated requirements? With very minimal additional cost we can have superimposed an inspection activity and point out to the owners where certain corrections have to be made and thereby again, through this initiative, bring these used cars up to speed in terms of what the specs require with emission technology equipment.

We are also dealing with the OPP and discussing with it, in terms of some of its surveillance work on the highways, whether it could look at the heavy-duty vehicles, the diesel trucks—this is always a cause of great concern in terms of the black emissions that many motorists or many people in urban centres are concerned about—and whether, through its patrolling of the highways and some of the policing activities it has, it could act and add this on to its duties so that without too much additional resources, we could again get some kind of control mechanism to enable us to reduce the diesel emissions.

These are the thrusts of the activity. We are trying to piggyback on existing infrastructure control systems within the government so that there are minimal extra human resources or dollar costs in terms of bringing these extra controls in place and so that it is very focused in terms of the industry and also there is some benefit in terms of capturing the volatile compounds which would otherwise evaporate to the atmosphere.

These are all the, I guess, components of the vehicle emission strategy we are looking at, and we are doing it in the context of the larger NO<sub>x</sub>-VOC strategy, the nitrogen oxide and the volatile organic carbon compounds that we are working at reducing in the context of a federal-provincial agreement.

It is all linked to urban smog and the effect of ozone in urban areas and the generation of these gases. When they interact with sunlight, they do create problems in several centres in the province that have been documented through our environmental studies. So it will, when it is implemented, have a very positive effect in terms of reducing the number of exceedences of high ozone levels in the

urban atmosphere. So it will have a very beneficial health effect. Again, it is very focused in terms of trying to make the costs minimal, making the environmental benefit very focused and understandable and, in terms of environmental health, having a real net benefit to the populace of Ontario and at the same time contributing to the national strategy. So that adequately covers the elements.

1440

Mr G. Wilson: Except to ask you whether other jurisdictions—of course I think of Los Angeles. Are those some of the measures that it is taking and do they work?

Mr Ronan: Yes. Other centres—Los Angeles, California, we use those always as the—they are the cutting edge because they have the worst smog problems and the highest use of vehicles, etc. So they have been I guess at the cutting edge of the technology, the requirements, and have done many of these things.

One of the things the Californian jurisdiction is doing is pushing the regulations on actually the vehicles themselves that are manufactured and the requirement that there is better fuel consumption, and it is reducing what is permitted to be emitted out of the tailpipe. That is the other

approach they are using.

We also in the context of this strategy are looking at the formulation of the fuels that are used. By changing and modifying the fuel, the different compounds in the gas mixture, you can reduce some of these volatile gases. There is a whole range of technology associated with the design of the vehicle, reformulation of the gasoline, alternative fuels and also some of the initiatives that I have mentioned. There is kind of a three-pronged thrust, and eventually we may end up with a vehicle that does not discharge any of these harmful gases in the long term. But that is being projected into the next 15 to 20 years as a possibility.

Mr G. Wilson: Thanks very much.

**Ms Haslam:** I had questions for the minister, but this gentleman has touched on a couple of things and maybe I would like to just follow that along.

**The Chair:** Would you like to have him return?

Ms Haslam: Certainly.

The Chair: I also have Mr Hansen and the clock tells me you have about seven minutes. Is that helpful?

Ms Haslam: Oh, always.

The Chair: Then please proceed.

Ms Haslam: You mentioned alternative fuels. I know that there has been some discussion, especially in the Energy ministry, when it came on about ethanol. A theme of mine is interministerial workings, the fact that programs work between ministries. It is not just a particular ministry that deals with a particular problem, and I always see solutions as dealing with more than one ministry on all problems.

Are you dealing with—I maybe missed this. I got the Ministry of Transportation, Ministry of Consumer and Commercial Relations and the Solicitor General. Did I

miss Energy in there?

**Mr Ronan:** No, I omitted to mention it and I apologize for so doing.

Ms Haslam: In particular then, it was with the ethanol aspect of an alternative fuel.

Mr Ronan: Yes. Now, the lead ministry in that respect and the one that would be doing most of the research would be the Ministry of Energy. All we would do would work in consort with them, and if there were required studies in terms of looking at emissions, setting up environmental studies to see the impact of the emissions from alternative fuels, we would co-operate with them. So we ourselves are not the lead agency. We are focusing on ways of trying to minimize environmental impacts, but we do work in conjunction with them, and also with the federal government, I might add. So we are very supportive, and in fact sometimes we act as the gadfly with our federal colleagues to try and ensure that they come on line with some of the Californian initiatives, including the investigations of these substitutes and alternative fuels.

Ms Haslam: Okay. I would like to stay on air resources, because another area that you cover under that service is investigation of air pollution damage to vegetation and livestock. I just wondered if you would elaborate a bit on how you do that and how that effects your ministry here.

Mr Ronan: Well, we have a capability of doing this phylotoxicology survey, looking at the impact of emissions on the soil and all the different vegetation in areas close to where the emissions have occurred. So we each year carry out a number of surveys in areas of the province and we generate reports which document what are the normal baseline levels of a whole range of compounds and we are able, through looking at the historic data, to see whether there are any kinds of blips or events or new occurrences that would indicate there had been a discharge.

By the nature of the substances that we detect—it may be a range of organics, it could be a range of trace metals—we are able, through cause and effect, to link it to local emitters. By having information on the pattern of wind direction, etc, we can be fairly categorical where the likely generate has been. That information then may be used for other purposes in terms of remedying what has happened and advising local farmers, etc, about these events.

**Ms Haslam:** Does that go into page 41, which is environmental services, laboratory services?

Mr Ronan: Well, the analytical support work would be done by the laboratory services branch. The laboratory services branch acts as the service organization for all the ministry field studies, all the investigations, all the surveys of the Great Lakes, all the surveys of air-water regimes. All the analytical data required for those studies then is sent back to our engineers, who analyse it and interpret it in the context of the sampling study that they carried out so that they can arrive at correct, scientific assessments of what phenomena occurred at this particular incident.

Ms Haslam: Thank you. Mr Chairman, in all honesty, the rest of my questions are for the minister.

Mr Hansen: Well, if you do not-

Ms Haslam: I am sorry, unless Mr Hansen would like to go on.

The Chair: If you will allow me, I would like to proceed and extend your time and I will adjust accordingly. Mr Hansen, I will recognize you now, please.

Mr Hansen: The Niagara Escarpment runs through my riding there. The Niagara Escarpment Commission was under the Minister of Municipal Affairs in the former Liberal government. Now, there has been a lot of concern with the commission, and they have also talked to me on this. How is this going to change under the Minister of the Environment? It is on the funding.

Mr Posen: Well, a number of issues that I would just note. The responsibility for the Niagara Escarpment Commission was transferred to the ministry during this past year. We have established within the ministry a Niagara Escarpment unit that provides the support to the minister and is the liaison between the commission and its ongoing operations and the ministry. Just a reminder that at this point the commission is in the midst of its five-year planning review. It has put before the public its proposals for change to the plan and to the legislation and is in the process of widely consulting with people up and down the escarpment area.

To do this, we have had to ensure that the commission was more generously funded than it had experienced in the past, that there were a number of ongoing problems which have been resolved over the past year. There were decisions taken by the previous government in this regard and confirmed by the current government to ensure that the improvement continued to take place.

You know, Erv McIntyre is here. Erv, do you want to add anything to that?

The Vice-Chair: Mr McIntyre, if you would identify yourself for Hansard please.

Mr McIntyre: I am Erv McIntyre. I am the executive director of the approvals and engineering division of the ministry. The deputy has covered the things that we have done. The group is located within one of the branches that I look after, the approvals branch. We are trying to help the NEC in its activities that are under way now in terms of the plan review, and the hearings will be forthcoming shortly.

1450

**Mr Hansen:** What do we have left, four minutes?

The Vice-Chair: If you have another question, Mr Hansen, go ahead.

Mr Hansen: Okay. Oh, you are just extending the time there.

The Vice-Chair: Because as soon as the minister returns we will revert to Mr Conway.

Mr Hansen: On 13 December—this is not the first time that the introduction of the environmental bill of rights—I will just read this out. "Mrs Grier also named an advisory committee to review the basic principles such a bill should contain and suggested options for inclusion in the new bill. Members of the committee, chaired by Bonnie J. Wein, director of legal services for the Ministry of

the Environment, were drawn from the environmental group, the municipality, industrial, business and labour sectors, first nations, the legal profession and key provincial ministries."

My question is—and I come from an agricultural area—there has been quite a concern with the farmers in the Niagara area and I have received letters from other places in Ontario also about their concern on this new bill that is going to be introduced by our government. That was sort of a response from the minister, but I think the staff can reply.

I am wondering, if we only have the Minister of Agriculture and Food who is actually on this advisory committee, has the minister approached, let's say, the Ontario Federation of Agriculture on its input into this bill?

Mr Posen: We have Bonnie Wein with us, who is the director of the legal services branch in the ministry and has been chairing the committee. Just as an introduction to it, I would say, always the challenge in these situations is trying to decide how wide the consultation group should be, and in this case I think we tried to cast the net very widely and ensure that diverse groups interested in this matter were represented on the advisory committee. We are also aware that as the minister brings the bill forward into the House we expect that there will be another round of discussions through House committees as people will want to talk to the detail of the bill at that point in time. So we see the consultation as being a two-step.

Bonnie, do you want to talk to a specific point?

Ms Wein: I am Bonnie Wein and as well as being director of legal services, I am the chair of the advisory committee. When the committee was established—and I think I have seen you have a list of about 25 groups—it was intended that a number of those groups be umbrella groups so that additional groups or individuals who felt they wanted to have input into the advisory committee could consult through one of those groups as an umbrella group. Additionally, there has been set up a process for written consultation and we have been receiving briefs and letters and detailed or less detailed submissions from individuals and groups that are concerned with the bill of rights. The closing date for those submissions is 1 March.

We have had an indication from a number of groups, I believe including the Ontario Federation of Agriculture, indicating that they would want to have input into the process in that way. Specifically in relation to the Ontario Federation of Agriculture, they have been added to the initial list on the advisory committee. I think they were added at the second or third week of the sittings of the committee, so they are now represented by David Armitage and have active representation on the committee.

As well as the advisory committee and the opportunity for written submissions, we have set up an interministerial committee to assess the potential impacts of various aspects of the bill, and the Ontario Ministry of Agriculture and Food has representatives from both its legal branch and the staff branches on various aspects of the bill. I know they do consult with various groups in relation to that.

So in relation to that specific concern, there are all of those avenues which are being actively pursued by the Ontario Federation of Agriculture and other agricultural groups as well.

Mr Lessard: I have a question with respect to environmental controls, and this is in the estimates book dealing with vote 1503, item 4 on page 52. It describes various service components that are included and one of them are the St Clair, Detroit and St Marys rivers improvement projects. Being from Windsor-Walkerville, I am concerned with respect to the Detroit River which abuts my riding and I am wondering what the Detroit River improvement project entails. I wonder if somebody from the ministry can answer that question.

Mr Posen: Ken Richards, who heads up the river improvement projects, is with us today.

Mr Richards: I am Ken Richards, co-ordinator of intergovernmental relations in the Ministry of the Environment. The three rivers' team, as we call it, which encompass the Detroit, St Clair and St Marys rivers, was established in the mid-1980s to co-ordinate several international studies that were taking place along the river to determine pollution problems, specifically in the Detroit and also in the other two rivers. Essentially that program was called the Upper great Lakes Connecting Channels Study and was published, I think, about two years ago, if I remember correctly, as a major initiative of not only Canada and the US, but also the province and the state of Michigan.

The team itself comprises four people and their task, basically, is to ensure that studies are co-ordinated with the other governments such as the state of Michigan, and more specifically to work on the remedial action plans for the three rivers. In the case of the Detroit River, for example, the state of Michigan has the lead for the preparation of the remedial action plan. In the case of the St Marys and the St Clair rivers, this ministry has the responsibility for the lead.

What happens in those situations is that the team, which is based in Sarnia, chairs and looks after the remedial action plan steering committees and liaises very closely with the other governments, particularly with the state of Michigan, because of the writing responsibilities that are entailed in the preparation of the remedial action plans and also in terms of ensuring that the appropriate, or the necessary, technical studies are undertaken, either as part of the remedial action plan, or perhaps as separate from it.

For example, a couple of years ago, the team was involved in co-ordinating a study of wastes in deep deposits that were injected several years ago in the Sarnia area. As a result of that work, they determined that what they had to do was to assess whether or not the materials which had been injected under pressure to those deep deposits were in fact contaminating the St Clair River. They found that this was not the case. They undertook that kind of study.

Another study they have undertaken as an adjunct, if you will, to the remedial action plan on the St Marys River is the study of the Algoma slag site in Sault Ste Marie to determine the impact of any potential leaching from the site into the river. Another assessment, as part of that study, was also to determine whether any leaching was taking place into water supplies in the city of Sault Ste Marie.

So in essence what you have is a group of four people who are undertaking liaison with other governments, particularly the state of Michigan, and also are co-ordinating studies that may be required as part of the remedial action plan or be identified by the public advisory groups, for example, as being essential for the next stage of the remedial action plan.

Mr Conway: Back to Metro garbage: I am really interested to explore further and in some detail what I think is a fascinating challenge. As I say, if anyone can do it, I think the current minister can because—

Hon Mrs Grier: I hope I can.

1500

Mr Conway: Listen, I mean that. Someone was talking here about the master plans. Well, there is one under way in my area. It is really interesting to watch. A lot of good policy people put a lot of thought and good work into it and you can see it unfolding and foundering on high politics. It is absolutely clear to me that what this is going to take centrally and locally is some very tough, hardnosed political decisions and directions. That is why in a way I am glad it is you and not me, because it is one very tough job and I do not envy the person who has to make some of these decisions. I watch people run for cover. My friends in the academic community and in the various constituencies, everybody is empowered. Everybody wants a say, and rightly so. I do not have any difficulty with that.

I think back to the days of the incredible things governments did and got away with. It is extraordinary to me that happened. I mentioned earlier the Cayuga decision. That is only 12 years ago that we ever thought we could do that and the farmers and others in Haldimand said, "Absolutely no way," and forced us, as a Legislature, and as a government, to a different course of action.

But ultimately somebody has to decide something and I was interested in the discussions about process. I am going to come back to this in a few moments. The deputy—I do not know; in your absence perhaps—had some wonderfully felicitous phrases for the kind of renovation of the Environmental Assessment Act, and I think I know exactly what he means and I wish him well. I wish you all well, but it is not for lack of policy inputs that we are going to have difficulty. If my experience on a local and regional basis with this is any guide, it is going to be the politics of it.

I have been struck, for example, when I think back over the last year. I thought it took guts for the member for York South and the member for Etobicoke-Lakeshore to say, admittedly in places like Marmora, that Metropolitan Toronto had a responsibility to deal with its own waste to a far greater extent than it has ever thought about doing before. Three cheers for the minister and Elmer Buchanan in Marmora, and I would have cheered as well, had I been there.

Now we are back to the Metro situation and what have we got? We have a situation where it appears that the Kirkland Lake option is probably not an option because, quite frankly, it perpetuates the old notion that you just truck it away and it fails one of the tests that the minister, I think, has set. You have to deal with this close to the source and I admire her for that.

But we know this. We know that there are three sites available in the GTA, I gather, and that those sites are going to reach their capacity within 24 months' time, maybe 30, but my information suggests within the calendar year 1993. The minister has said she really intends to pursue more vigorously a better reduction policy than the previous government, but even if she achieves the reduction targets that she has set, within a couple of years Metropolitan Toronto is going to be annually generating about three million tonnes of garbage with which something will have to be done. Maybe that is too liberal an estimate; maybe it will only be about 1.5 million tonnes, but it is a lot.

I am Harry Brown, Metropolitan Toronto resident, and I am trying to understand this. What is going to happen? We are going to have to deal with this. There is going to be no incinerating, as a stated policy. There may very well be, because I was in Peterborough and Cobourg: "A tax on these garbage bags. So this is going to start to back up on my doorstep in a way that I might not like. By the way, that might make me think about some personal incineration, if I am going to be stuck with \$10 a bag." I am just hypothesizing.

I want to know what the ministry is going to do, because I do not think I am fantasizing here. Within two years, two and half years, the three sites will be at the limit of their capacities. I expect that by then there will be some new policy initiatives in place or on the way in terms of the final solution. That is one of the reasons I come back to my favourite example, the Waste Management Corp. Eleven, 12 years later, I know where we are with that.

To the credit of all your people, you have gone through an excellent process, You have looked at all the technologies and you are down now in Bismarck, in Lincoln county, and the real fight is about to begin. My guess is that five years from now, if we are lucky, five years from now, about 17 years into the fight, we will be getting close to maybe doing something. I am sitting here thinking: "All right. We have the Metro garbage. I do not think we have got 17 years to get to a fundamentally different kind of world.

What I want to know is, what are your plans specifically over the period 1991 to 1995 to deal with a very real problem that I think all analysts would see as being there?

Hon Mrs Grier: The problem is, as you describe it, a very real one and I do not think for a moment it is going to be possible not to have a new disposal facility for the greater Toronto area.

I have said, as I said earlier, that I feel that 1994, rather than 1993, is the time frame which we have, and my very specific plans are in accordance with those I outlined in the Legislature on 21 November which is, first and foremost, to get serious about reduction.

Reduction and reuse are not just reduction and reuse. In some cases doing that means separation into entities, into types of waste, which of itself facilitates reduction, because then what you do not have is a great big bin of mixed goods; you have a bin of corrugated cardboard or a bin of plastic or a bin of waste wood which can, itself, be used by somebody who uses that as raw material for his product. You do not get to the kind of reuse unless you achieve the kind of separation that facilitates it.

Part of the policies that the waste reduction office is looking at, the waste reduction advisory committee that I described in my comments earlier for the member from Markham, is how we can best do that. I think we can begin to make some real progress in that direction within the next three or four months, and I think the initiatives you have seen Metro announcing over the last couple of months are all part of that.

What that will begin to do is cut down on the amount that is going to the landfills and also begin to create garbage that is not the smelly, messy mess that we have always associated with garbage. If we can work towards the separation, for example, of the wet materials and the dry materials, then you have a very real prospect of separating out of the waste stream those things that can be composted, and establishing composting facilities not just in the backyards of every single family home owner—because that is only about 50% of the population in Metropolitan Toronto, for example, more across the GTA—but centralized neighbourhood area municipality composting facilities that will go a long way to pulling out of the waste stream a lot of the stuff that is now going to those three landfills that you mentioned.

My very first priority has to be to do that and I am confident that we have moved aggressively in that direction.

My second priority, as I said, is to look at the approvals process, which is the Environmental Assessment Act, and to provide some surety that it is not going to take 17 years. I do not, you may be relieved to know, anticipate being minister 17 years from now and I do not want to preside over 17 years of an environmental assessment process to get me to a waste disposal site in the GTA. That is not responsible.

What is responsible is to put in place a process that is true to the principles of the Environmental Assessment Act, which provides for an evaluation of alternatives to the project and alternative ways of achieving the project, and putting in place the kinds of time lines and surety that will enable us to reach that goal of whatever that date is.

Part of the difficulty with the date is that there is not a great deal of data out there. We know precisely how much is being dumped. It is hard to get a handle on how much is being generated from what sources and how much is being diverted. In my own riding, I have a privately owned facility just starting up that is doing a fair amount of separation and reduction. We do not have a handle on what the potential is out there for those kinds of facilities to grow, for other ones to be set up. We do have an ability to say, as we go through the process, that it cannot take for ever, and, "Ministry of whatever, you have this many days to respond

with your comments on this particular approach, not an open-ended time line."

I am confident that we can get to the approvals process in time before we need the site and then finally to establish the criteria for a site search that are as consistent with the environmental needs of the greater Toronto area as any other actions this ministry takes.

1510

Mr Conway: Well, listen, this conversation has a wonderful irrelevance to it almost—

Hon Mrs Grier: It does not have irrelevance.

Mr Conway: —because people who know what there is to know about available sites, even if you achieve reduction of fantastic proportions—I come back to the first point. You know, by the way, where those sites are. I do not expect you ever to admit any of this in this room, but there is another room where they will be discussed and—

**Hon Mrs Grier:** If you are asking me for a list, I have not got one.

Mr Conway: Oh, no, listen, you have a list and I do not expect you to share it; I do not expect you to admit to its existence. My point is, however, in the short term, if I take the most wildly optimistic assumptions about your reduction strategy, I submit to you that by 1993-94 you will have at least two million tons a year for which there will be no repository and my question, as a taxpayer in Metro, would be, I wonder what she plans to do with that?

By the way, I think to get to that between now and 1993, you are going to have to as a government initiate some enormously unpopular taxes or tax-like policies to move that reduction along, whether it is in the packaging protocol, whether it is in the fees for curbside garbage bag, whatever. I do not think it is any secret that there are some instruments there. They are not that many and they are certainly not very popular.

With all of that application, I submit that by 1993-94 there are a couple of million tonnes a year that you are going to have to deal with. I worry, because I hear these people in Metro say their solution is going to be just to dump it all on Queen's Park. We cannot credit that; they do not really mean it; I know they are frustrated. But people who are close to this will know that it is a real problem.

My first point would be that she is going to use her emergency powers and she is going to stack Brock West, Keele valley and Britannia to a much greater extent than was anticipated a few years ago. That is an option, surely.

Hon Mrs Grier: If I have not succeeded in finding a site for the disposal of the residue after reduction, that is in fact an option. It is not an option I plan to use and it is not an option that I think I am going to have to use.

Mr Conway: I can appreciate how you would wish that, but there is no one with a shred of credibility—you have more than a shred, a lot of it—who would not privately admit that no matter how successful you are in the next two to three years. you are going to have to make better and greater use, not better but greater use of one or all of those sites. It is just not reasonable to imagine.

Hon Mrs Grier: I hate to disabuse the member but I can assure you there are people out there who feel that if I got serious about reduction I would never need another site again and that I can reduce 100%. I do not happen to subscribe to that because I think the risk of not finding a site is greater than a risk I am prepared to take.

Mr Conway: If "serious" means draconian in a way that none in this Legislature has ever contemplated, I think you are right. I suppose that turns on your assessment of the pain tolerance of your colleagues and of the government.

**Hon Mrs Grier:** Or of the support I will have from the opposition.

Mr Conway: Well, absolutely.

Hon Mrs Grier: I know you recognize the extent of the problem and I am sure you will support my unpopular methods.

**Mr Conway:** But that is why cabinet ministers get paid more, and I think you should be paid everything you are paid because it is fun to make these decisions.

Hon Mrs Grier: You said earlier it was not enough.

Mr Conway: Pardon?

**Hon Mrs Grier:** You said in your opening remarks it was not enough.

Mr Conway: I believe that too. My point is that if you have to, as I believe you will have to, make greater reliance on one or all three of those sites, how would you propose to do that? What comfort will you be able to give the people of Keele Valley or of Brock West that there will be some kind of process, scoped and controlled as it will be presumably, to fit the new criteria for the assessment process that you described earlier? If I live out in Brock West, will I have some comfort that I am just not going to read some day that there is a ministerial edict that the life of this facility is going to be extended by 18 months or 36 months or five years without my participation in that decision?

Hon Mrs Grier: I am not prepared to cross that hypothetical bridge until I get to it. I am very confident that the process I have undertaken, the procedures I have set in place, the programs we are going to be working on over the next few months, will achieve our objective of reducing waste sufficiently and devising an effective and environmentally sound process that will lead us to a long-term site.

Mr Conway: Well, it sounds a lot better than I think it is going to feel, but I wish you well and I really mean that.

My next question is in a related area. I just want some data. Can the minister indicate—not today, but I would like the information for the committee at the earliest opportunity—how many communities there are in Ontario which are going to run out of their landfill capacity within the next year, the next three years and the next five years? That is just an information request. I am sure you have that data.

Hon Mrs Grier: It is all at somebody's fingertips but not at mine.

Mr Conway: No, I do not need it now.

Hon Mrs Grier: Okay, no. Mr McIntyre, I am sure, can give you that right now.

Mr Conway: I would like it in written form. I want to know how many communities are going to, in the next year, the next three years and the next five years, each of those benchmarks, run out of their landfill capacity. I would like to know the names of those communities.

Mrs McLeod: I just wanted to pursue that line of questioning, and I see that Mr Daigeler does as well, as we take it outside the Metro area and the obvious crisis situation that Metro faces and look at some of the communities outside the Metro area and the fact that even where there would appear to be somewhat less pressure in terms of identification of a landfill site, the process of planning and approval for a landfill site still takes an extraordinarily long time.

I think, for example, of the town of Marathon, and without wanting to get into all the details of why that particular approval may take a long period of time, I believe they have been at the planning process for some five years now and are really not sure what the next step will be or when they can expect to resolve the issue. Theoretically in Marathon, which is surrounded by a fairly large land mass, unpopulated area, it should not have been that difficult or have taken that long. I wonder if you could comment, first, statistically on how long it takes, on average, even in those situations where, as Mr Conway has indicated, it has not become a political issue.

Second, one of your assurances that the Metro situation can be dealt with is in making the process of environmental assessment more efficient, more expeditious, if I can use that term, although that might be putting a word in your mouth that you prefer not to use. What do you think is the cause of the problem in the slowness of the process to date? If you have identified that, I presume you then have a solution.

Hon Mrs Grier: Let me respond to your first question, because I think it is really important that we realize that waste disposal is not just a GTA or a Metro issue; it is a problem all across the province. I think the difficulty is that the magnitude of the amounts being generated in the GTA is about half the waste that is generated in the entire province, and so if we do not have anywhere to put that, it is such an enormous problem that it has taken more of our attention than it ought to have. But in all of my meetings with municipalities, I hear the same cry: "We don't know where we are going to go when our landfills close, and the process has been too slow and too open-ended and we don't know where we are going." I think the figures that Mr Cousens has asked for will provide you some sense of how many waste management master plans there are out there and how long they are taking, and I do not think that is good enough.

So I think that when I am talking about clarifying—and I do not mind the word making the Environmental Assessment Act more "expeditious"—what I am looking at is providing a greater sense of certainty to people as they go through the process.

I think the discussion paper describes the existing process as an inverted pyramid. The longer you go through the process, the more options there are out there that have to be considered.

The suggestions that were made by the group set up by Mr Bradley and in the paper that I have released and upon which we are now getting comment are, in fact, "Change the direction so that as you go through the process, a proponent, be it a proponent of any other facility or a municipality, can be assured that at a certain point, 'Yes, the procedures you have been following, the criteria that you have used in developing your plan, the principles that you have embodied into your plan, are acceptable.' We sign off on that. Go forward from here on in."

That is a fairly new approach to the Environment Assessment Act and I do commend Mr Bradley for having established the discussion that led to that. As I say, it is an approach that I think has some merit. We put it out for comment and I think the comments are to be due back end of March, end of April. That will be the basis upon which we bring forward legislation designed to do just as you have suggested and expedite the process, without diminishing the important environmental values of consideration of alternatives, both to the project and to the means of locating them.

1520

Mr Daigeler: I would like to move on a little bit to a different kind of question, although it is related.

Mr Cousens: Just on the timing, Mr Chairman, what is the time? It is 21 minutes since the Liberals—

The Chair: Twenty-six minutes were used by the governing party. I am now conveying the six extra minutes to the official opposition. So it will take 26 minutes and then you will get 26 minutes. But we move to 20-minute segments after first round.

Mr Cousens: That is fine. That is good.

The Chair: You still have five minutes.

Mr Daigeler: Okay. Minister, you have many projects, many priorities, many goals, and I, for one, and my colleagues, share in that desire. We wish you well because environmental concerns are very, very high on the priority of Ontarians, certainly in my area, and inasmuch as we can be supportive, I think we will.

I am wondering, though, how you plan to pay for all of these initiatives that you would like to implement. Mr Bradley, I think, was quite successful in the last cabinet to raise the budgetary allocation for his ministry from, I think, about \$440 million in 1988-89 to \$650 million in 1991. Are you aiming to equally increase the budgetary allocation to your ministry, given the importance that you and your party are assigning to green issues? Or are you saying, "Well, we have only so many resources and we have to do things differently and we reallocate priorities within our own ministry. And if that is your approach, how are you planning to reallocate those priorities within your own ministry?

Hon Mrs Grier: I think, Mr Daigeler, it is a very important question, and as you well know, the government

in these difficult times finds itself without the resources to do many of the things that we would like to have done. But I think in just the process that I described to your colleague, what I am indicating is, there are a lot of ways in which the existing resources can be used more efficiently and you can get a lot more bang for the bucks that are currently allocated to many programs.

I do not know what it has cost to have 10 years before the environmental assessment of the Ontario Waste Management Corp, but I am sure those who were in cabinet before can tell you it is a great deal of money. There has got to be a better way, and by making the process clearer, fairer, more effective, it is certainly my intent to free up some resources that can be put to some of the priorities to which this government attaches a great deal of importance, such as the environmental bill of rights, for example. But if you are looking for me to assure you that there is a blank cheque out there and I can go on increasing the allocation, there are a lot of things that I want to do and that are on my agenda that will in fact need new resources.

But we talked a lot today about waste management. Waste management is something that has been subsidized by the provincial government because a lot of municipalities have not in fact been charging the generators of waste the cost of disposing of that waste, and I am not sure that is a particularly good use of provincial resources.

Again, a regional municipality, with which I met this week, four years ago had no tipping fees for its waste. That is just an invitation to everybody in that municipality to generate as much waste as they possibly can. They have increased the tipping fees in that municipality to \$27.50 a ton now, but it costs them \$65 a ton to dispose of the waste. Then of course they come to see the province and say, "We don't have enough money to do this, to do that and the other thing." We are subsidizing the disposal of waste.

I think the economic incentives of the true cost of disposing of waste achieves two things. First, it helps in reducing waste because people come to think, "Can I afford to waste that cardboard or that wood or that plastic," or whatever it is, "or is there a better way of using that resource?" Second, if we make true cost pricing part of our waste reduction programs, then it will free up some resources within the ministry to do many of the programs that you and I agree are important. So that is the kind of rethinking and reallocation that I have embarked upon.

Mr Cousens: I would like to talk about PCBs, if we could, for a moment. I would like to know what methods of destruction have been approved by the province to get rid of PCBs.

Hon Mrs Grier: Hardy, you can answer that. Is Mr Wong still here?

The Chair: Mr Wong has been introduced. Welcome back.

Mr Posen: There are two, I guess, types of PCBs, as Mr Wong will note. One is the low-level PCBs, for which there are chemical destruction methods, and then the high-level PCBs, which are more complex.

Mr Wong: Hardy Wong, director of waste management branch. The deputy is right. There are two types, the low-level and the high-level, and for the purpose of operation we further divide the low-level into two types of levels. One is the type of low-level PCBs we removed from active service. Another type is the low-level PCB still in active service, ie, hooked on the transmission lines systems and so on.

The low-level waste can be both in service and in storage; on an ongoing basis for the last number of years, has been destroyed through chemical processes under the licence issued by the Ministry of the Environment, under a regulation which has been approved through public hearings, I believe it is, about seven or eight years ago. That regulation provides very specific performance standards in order to decontaminate the low-level PCB wastes. At the same time, the regulation provides performance standards requirements for destruction of PCB at a high level. Destruction of PCB at a high level, the current state of art of technology is for incineration for destruction.

At the same time, however, the approval requirement is much more stringent and requires a site-specific hearing when one wants to establish a destruction facility in Ontario. The prime example that you know in Ontario is the Ensco corporation, under contract by the government. It is in the process of destroying PCBs in Smithville, Ontario, which is the largest PCB storage site, primarily at a high-level PCB, oils and equipment and so on.

The federal government of course also initiated a destruction facility in Goose Bay and it was completed about a year ago. A report by the federal government is due to be released as to the performance and the acceptable level in destroying primarily PCB-contaminated soil in that case.

The federal government, along with the province of Ontario and Quebec Environment, as well as two major hydros, Quebec Hydro and Ontario Hydro, has also gone into joint venture, along with Alberta Environment, and set up a testing facility in the Swan hills in Alberta, which is Alberta's hazardous waste management facility. That facility has been testing various different types of feed material, whether it is pure, high-level PCB wastes or equipment or contaminated soils or other mixed—like oil with PCBs. The test has been completed, and currently, under the federal government's guidance, the consultants, along with two hydros and two governments, are producing a report to evaluate that testing methodology.

Those three testing methodologies, one in Ensco strictly by the Ontario government, one in Goose Bay and one in Alberta, they are all different high-level temperature incineration technologies, so at this time we still hold quite high hopes that either one or all of the three technologies will turn out to be proven acceptable for destroying different types of high-level PCBs in the province of Ontario.

1530

Mr Cousens: Do you have any plans for incineration of PCBs? When you talk "high-temperature," is that a form of incineration?

Mr Wong: That is right. Like I say, high-level PCBs, there is currently no means. But "high-level," that means incineration.

**Mr Cousens:** Is there a portable method? I have read about these different devices that can go to sites and then deal with the PCBs on site.

Mr Wong: All three technologies are "portable." Some people define them as mobile, some people define them as transportable. It depends how easily one can move the equipment from one place to another and how quickly one can set up that equipment. You may have 27 trailer trucks and it takes a couple of weeks to set up. We define them as transportable, not necessarily mobile, equipment. All three technologies are mobile in a sense.

**Mr Cousens:** I think that what you have just said is that in a sense it is really—

Mr Wong: It depends on the quantity of material at that location.

Mr Cousens: Oh, very much so. Are there licensed facilities that can contain PCBs right now in the province, or do we have plans for having licensed facilities for PCBs?

Hon Mrs Grier: You mean storage? Mr Cousens: Storage thereof, yes.

Mr Wong: PCB sites are licensed under Ontario regulation 1182, which is a specific regulation under EPA which is designed to provide those licences for PCB waste removed from service. The province has right now about 1,300 sites across the province. It could be major industrial plants; it could be school boards. Schools boards have facilities to consolidate wastes removed from the transformers and equipment which came out of the schools.

Mr Cousens: So they are not necessarily licensed; they are just storage places.

Mr Wong: They are all licensed storage facilities.

Mr Cousens: They are all licensed, all 1,300.

Mr Wong: They are all licensed, all 1,300 of them.

**Mr Cousens:** Could I have a listing? Could that be released? Is that public information?

Mr Wong: That is public.

Hon Mrs Grier: Yes.

Mr Cousens: Could we get a copy of that, please?

Hon Mrs Grier: I think it is important just to note that those are not sites to which additional PCBs are being brought in.

Mr Cousens: They have accumulated them.

Hon Mrs Grier: They have accumulated them.

Mr Cousens: It is the school boards that have them and therefore they have them on their hands.

Hon Mrs Grier: Right, and they cannot transport them offsite. There are no disposal facilities, so they are secured there.

Mr Cousens: I understand that, but you only have three that would really be stations to receive the delivery of PCBs right now in the province of Ontario.

Mr Wong: No, three technologies.

Mr Cousens: Three technologies. Do you have any sites where people can ship their PCBs to in Ontario right now?

Mr Wong: On a commercial basis?

Mr Cousens: On a commercial basis.

Mr Wong: No. The purpose of 1182 is specifically designed to make sure the generator takes care of its own PCB material.

Mr Cousens: Yet once they have generated it, there is no methodology, no way in which they can get them off their property.

Mr Wong: High-level ones, that is right.

Mr Cousens: And how would they deal with low-level ones?

Mr Wong: The chemical processes.

**Mr Cousens:** So they could bring that on site then?

Mr Wong: That is right.

**Mr Cousens:** Would it be supervised by the Ministry of the Environment?

Mr Wong: Those low-level chemical process are very much more mobile than the three types of technology that I have described.

**Mr Cousens:** Do you have a set of guidelines for a licensed facility to have PCBs on site; for instance, one of those school boards?

Mr Wong: That is right.

Mr Cousens: I would like to have a copy of that as well, please. It may be somewhere within our area, but I would like to have that. To me, what we are looking at is a situation that is not going away, and you have places like that situation in Whitby, right where we have a PCB-laden ferry in the harbour. You know, whose responsibility is it to deal with it? When it is on the water, it is federal and when it is on land, it is provincial. Meanwhile, the people of Whitby are alarmed and concerned about it. What are your plans, as a ministry, to deal with that Whitby situation?

Mr Wong: I am not familiar with this case. Maybe Jim Merritt can help me out.

Mr Cousens: If I can just elaborate, one of the places that is looking to receive a licence is Art's Auto Wreckers, and has requested a licence for that. Maybe you could elaborate upon approval for a licence, plans for a licence, and just how in fact you are dealing with this.

Hon Mrs Grier: Perhaps, Jim, you could clarify, because there certainly was a report this morning that we had turned down an application and the status of that application I think is important for the committee to know.

Mr Merritt: I am Jim Merritt, director of central region, Ministry of the Environment. The situation with the barge in Whitby harbour: It is in fact a commercial barge, not a ferry, and the unit on that barge is an electrical generator with a transformer. The past purpose of that was to generate portable electricity for marine works.

The owner of that barge still claims that it is a usable piece of equipment, although marine engineers have disputed that, so it becomes very difficult for one to claim to take it out of service. The jurisdictional problems you have

alluded to, because it is tied up under a federal facility; the federal government has been very involved; we have been very involved; and the municipality has been very involved.

The latest effort was with the federal government to proceed to order the removal of that equipment from that barge after the barge had sprung a leak and settled to the bottom of the dock it had been tied to. They had approached us in conjunction with the owner of that barge for the establishment of a PCB site, as described by Mr Wong.

We would be prepared to accept that application provided there is a suitable site and the property owned by that person is in fact the same piece of property that is owned by Art's Auto Wreckers. That is the same individual. When you are in that situation with PCBs to store, you cannot store them on other people's pieces of property. One has to find his own piece of property, and that is the dilemma they are in.

At the same time, for local good reasons, the local politicians have chosen not to accept that. Our process in reviewing those applications is to go to the local municipalities and ask them if they have serious concerns and objections to that, and if they do we do not pursue establishing a site at that location. That is where we stand currently in that we have been led to believe that they do not want to have a site established there. The owner then is left in a situation of not having another location or owning another piece of property at this time.

**Mr Cousens:** What advice or counsel is your ministry prepared to give the community as a whole on how to deal with this issue at the present time?

Mr Merritt: We still consider that the owner of this material is responsible for it and still has an obligation to find a site for that and if it means going out, whatever action he would have to take to find a location.

Mr Cousens: What is your next line of action should a certain period of time pass? Is there a period of time that passes before your ministry gets involved? How long is that period of time and what action are you prepared to do if that person does not find a satisfactory location for the PCBs? Two questions: How long do you give him? Then what action do you take following?

Mr Merritt: We would wait for another request from that person, because in fact it is the federal government that would have to force the material off the barge, and we understand it is prepared to move fairly quickly to continue to pressure the removal of that material.

Mr Cousens: Should this person who has it on his property now not be able to find it, what action then does the Ministry of Environment take to resolve this problem?

Mr Merritt: We will continue to work with the federal government to get this person to manage his waste properly. This is a viable company. There is no reason why they should not manage their problem.

Mr Cousens: Is there a precedent for the ministry being involved with someone who has PCBs that he is not placing in the proper area? Is there any way in which you can handle that? Hon Mrs Grier: I am not sure if there is a precedent for them being in one jurisdiction. Once they are on the boat, there is a federal agreement signed by the federal government, or a federal order gazetted with the agreement of the previous government in May 1989 which said how federal PCB storage sites would be looked after and what the division of jurisdiction was within Ontario.

The jurisdiction here is very clear that as long as it is on the boat, it is federal jurisdiction. Once it comes off the boat, it is our jurisdiction to make sure it is stored in a safe and proper manner, but I am not sure that it is the jurisdiction, in fact I do not think it is the responsibility of the ministry, to find a place and buy a site and take them somewhere. They are owned by the owner of the barge and it is our responsibility to the people of Ontario to make sure that once they land in Ontario, they are safely stored.

**Mr** Cousens: I am concerned with the number of elements to this problem.

1540

Hon Mrs Grier: Oh it is a very, very complicated one.

Mr Cousens: I for one see it as one of those areas where the fuzzy jurisdiction of federal and provincial governments is truly a matter that is unacceptable, and has to be one of those things that you table at a first ministers' conference or a second or third ministers', whatever level it is of the federal government. But this is unsatisfactory from my view in total.

Hon Mrs Grier: Mr Cousens, whatever pressure you can bring to bear on my federal colleague will be more than welcomed by this minister because—

**Mr Cousens:** You are the one who is the angel on this one.

Hon Mrs Grier: The fuzzy jurisdictions are very frustrating. But in fact this is less fuzzy than many others, because it is quite clear that it is a federal jurisdiction.

**Mr Cousens:** I cannot stand this kind of fuzz anyway.

Hon Mrs Grier: May I just finish, though, by saying that I think and I really regret that the municipality is not prepared to work more proactively to approve a site. We can guarantee them that we will not agree or licence a site that is not as safe as any other PCB site in the province. But we cannot do that if the municipality says, "No, we do not want them in our jurisdiction." The owner has to find a piece of property and a municipality that will allow them to be stored there. We have to make sure then that they are both transported and stored as safely as they can possibly be

Mr Cousens: I see you as more of a traffic cop than a person who is trying to solve the problem. You blame the federal government and now you are blaming the municipal government. When I ask what your government is going to do, I do not get too much of a sense of your really buying into the fact that there is a problem. You know there is a problem there, but I do not see any answers forthcoming from your ministry as to how you can help solve the problem. You are saying the federal government is involved. They are fuzzy and they are bad and now you

are saying the municipal government is at fault. What I would like to know in specific answer form if you can, what will your government do?

Hon Mrs Grier: I thought I tried to explain that, Mr Cousens. What I am explaining is that it has to be a co-operative effort. No one level of government can solve this particular problem. All three are involved and all three are very clear what their jurisdiction is. Our jurisdiction is to work as co-operatively as we can with both the others. But they are now in a federal jurisdiction. They have to be moved to a municipal jurisdiction. It is our job to make sure that is done safely. We have told both the other jurisdictions that we are ready, willing and able to assist in doing that. But one of them has to decide the precise location at which this safe, secure site is going to be.

Mr Cousens: I will come back to it. If I can, I would like to have a listing of all those licensed facilities that have PCBs in the province. Is that something you will be getting for us? I would like to have a copy of the criteria and guidelines to become a licensed PCB holder, tank or whatever you call it. I have one more question that comes out of it. Do you have inspection procedures that are now in the ministry to check out those PCB storage areas and how frequently do you check them?

Mr Merritt: We have a regular inspection program of all those PCB sites. We see them at least once a year, and many more frequently, particularly the sites that are considered to be sensitive sites, those close to schools or public services. That program has been in place for several years now.

Mr Cousens: Do you have any sense of knowing whether or not you have all of the storage sites for PCBs in the province of Ontario or what percentage do you think you have? Have you a sense that this is a complete list that you are going to be giving us or is a partial list?

Hon Mrs Grier: I did an extensive amount of work on this in my capacity as critic, Mr Cousens. I was relatively satisfied that in fact most sites had been identified. You may be interested to know that you are occupying a licensed PCB storage site at this very moment. They are in the basement of the Legislature and quite securely stored and checked annually.

The Chair: Next to the food service area.

Mr Cousens: But my question stays-

Hon Mrs Grier: We could give you a comprehensive list.

Mr Cousens: I want the comprehensive list, but I also want some satisfaction that you feel it is a truly comprehensive list.

Hon Mrs Grier: I think it is comprehensive for most of the bulk. What you still find are places that have fluorescent lights, the ballasts of which contain PCBs—

Mr Cousens: I saw the article last week.

Hon Mrs Grier: —where both the owners, let alone the ministry, do not know when these ballasts were changed and whether it was post-1970 or not. So there may well be many locations where there are PCBs in cur-

rent use that we are not aware of, but we are certainly aware of those where there is licensed storage.

Mr Cousens: Mrs Marland had a question on PCBs, I think.

Mrs Marland: In dealing with the subject—oh, have we changed people on the PCBs?

Hon Mrs Grier: Who did you want to talk to?

Mr Cousens: Mr Wong is still at the back.

Mrs Marland: Yes, I think it is probably Mr Wong's question, but knowing of the two or three licensed mobile facilities that were licensed in Ontario as a result of the extensive environmental assessment hearings and developing the criteria for those mobile facilities, I know that Ontario Hydro is now destroying PCBs onsite at a number of its different facilities. We just had it at the Lakeview generating plant last year.

Hon Mrs Grier: Low-level PCBs.

Mrs Marland: Yes, low-level. There has always been the suggestion that St Lawrence Cement was also burning low level PCBs as part of its used oil disposal. I am wondering if you would like to tell us whether that is so, and has St Lawrence Cement burned low level PCBs in its used oil disposal? They are licensed to burn used oil.

Mr Wong: Hardy Wong, director of waste management branch: St Lawrence Cement is licensed to receive high BTU-valued industrial wastes. Now, there is a difference between PCBs and chlorinated compounds and solvents. They are not licensed to burn specifically PCBs at any levels. However, they are licensed to receive industrial solvents, which may be chlorinated type of solvents. PCBs are also grouped in the same category of chemicals, being chlorinated compounds, but are different chlorinated compounds.

Mrs Marland: So you are saying that the PCBs, the polychlorinated biphenyls, are in that group that—

Mr Wong: But they are different.

Mrs Marland: But different? Mr Wong: Yes, sure.

Mrs Marland: Polychlorinated biphenyls are in that group but different?

Mr Merritt: Jim Merritt again: Specifically with St Lawrence Cement, its certificate of approval allows it to burn the chlorinated solvents and other oils but not PCBs. They are restricted to less than one part per million PCBs at a test level. Recently it had been determined and they had submitted to us, because they have to test regularly, that they had in fact a batch of solvents that had come in with something in the order of 30 parts per million PCBs. We determined that had happened. We have asked them to stop using those oils and solvents in their process until they can improve their test protocols and ensure that if in fact they get another batch with elevated levels of PCBs, it can be rejected and sent back to the supplier before it goes through their furnaces. That incident is also being investigated by our investigations branch as well.

Mrs Marland: So there was an incident where they did in fact burn 30 points per million at St Lawrence Cement recently.

Mr Merritt: That is correct, yes. Mrs Marland: So the screen—

The Chair: A final question, Mrs Marland.

Mrs Marland: Is this the end of the time for now?

The Chair: Yes. Final question.

Mrs Marland: So then are we saying that the onsite screening by the receiver of that shipment of oil then is not accurate enough or it just does not protect St Lawrence Cement or any other incinerator from burning that oil? If it is to be tested, should it not be tested before it is burned?

Mr Merritt: That is right. That is why we have in fact suspended their operation and are requiring them to revise and review how they are controlling that, and that will have to be approved by us before they can start up again.

Mrs Marland: Mr Chairman, could I ask that I have the information of when that burn took place in terms of the date and what is the ongoing investigation, because it is very critical information.

Mr Merritt: I am sorry, I do not think it is appropriate to reveal the parts of the investigations that are going on right now.

Hon Mrs Grier: It is with the investigations and enforcement branch, is it?

Mr Merritt: Yes.

Hon Mrs Grier: I see. Which means that it is being investigated to see if there is a potential for laying charges, so we would not be able to release the details of that investigation until a decision had been made as to whether or not charges should be laid.

1550

Mrs Marland: You mean you cannot even mention the date that it took place? Was it within the last—

Hon Mrs Grier: Oh, I think we can.

**Mr Merritt:** We could provide some of the basic information, yes.

Hon Mrs Grier: Oh, yes, we can certainly give you the facts.

Mrs Marland: I can have that tomorrow?
Mr Cousens: Could I ask one final question?

The Chair: Really, our time is up in rotation. Thank you. The staff has offered some assistance with the response.

Mr O'Connor: As your parliamentary assistant, Minister, it puts me kind of in an odd situation to ask you a question, but as parliamentary assistant for the greater Toronto area, there are quite a number of areas that concern me, particularly in my riding, Durham York. I have a large portion of it in the Oak Ridges moraine, and the development that has taken place in the past few years on the Oak Ridges moraine is a concern that was brought to my attention several times during the summertime, during the course of the election. Actually, there are still quite a number of very interested groups wondering what is going to

happen as far as the Planning Act is concerned, and some sort of legislation around planning and keeping that area green and the Oak Ridges moraine.

Hon Mrs Grier: Yes, it is certainly an issue that is of great interest to me, because in my capacity as minister responsible for the GTA, I also have responsibility for the waterfront and the Crombie report. I am sure, as members of the committee will know, flowing from the work that David Crombie had been doing as a federal commissioner, the previous government in an act of great enlightenment also appointed him a provincial commissioner. As a result of that appointment flowed the report that Ron Kanter headed up when he was with us here on the Oak Ridges moraine and green space.

The recommendation in the interim Crombie report that was released last summer was that the Oak Ridges moraine be protected and that we look at establishing what he very graphically described as a net of green over the greater Toronto area. I find that a very attractive concept and am delighted that the provincial government has supported that recommendation and is looking what we can do to preserve and to set out some guidelines for protection of the moraine.

I have been struck, as I have had an opportunity to look at some parts of it, how late we are in protecting that resource, because it is the place where so many of the headwaters of the rivers that flow through the GTA are recharged. A great deal of development has already occurred there, but there are still opportunities to protect some very important parts of it. The Ministry of Natural Resources, my own ministry and the Ministry of Municipal Affairs have been meeting to review the Kanter report, which was released last summer, and to come up with some guidelines to control overdevelopment in that area.

We also, of course, are looking very critically at the Planning Act and seeing what can be done in order to make the Planning Act a more effective instrument of environmental controls as well as merely controls on development, but an instrument of proactive planning and of planning that takes the environment into account.

I hope that we can look at the moraine and at all the river valleys and at the waterfront in a way of establishing green space, looking at the planning of the greater Toronto area. As you know, some work has been done by the office of the GTA into an urban structure study, looking at the future of the area and also looking at how we can plan most effectively.

I was talking just last week with the chairman of the Metropolitan Toronto and Region Conservation Authority, who of course shares our concerns about the Oak Ridges moraine. They appear to be approaching it from the point of view of, "We cannot afford to buy enough land to protect the Oak Ridges moraine." I reminded him of the existence of the only environmental land use plan in this province, the Niagara Escarpment plan, a plan that has the support of all three parties in this House, both in and out of government. It is now the responsibility of my ministry and a challenge that I relish. I think that is a very appropriate way of looking at how we protect special environmental features of the land and can we look at that as a model

of land use planning that will perhaps provide some guidance as we come to grips with the issues of the Oak Ridges moraine.

In a short answer, the government recognizes that it has responsibility to act on all the various reports that have been done and to protect the Oak Ridges moraine. The actual means and mechanisms by which we will do that are currently under discussion and I hope to have some definitive answers as soon as possible.

Mr Hansen: When Mr Cousens was talking there, it took me back home. I am from Lincoln. We have all of these things. We have the storage of PCBs, we have the destruction of PCBs by Ensco in Smithville, and also the OWMC, with the hearings going on now, wanting to locate in West Lincoln. And it was just decided that the Lincoln quarry will not be accepting the fly ash from Toronto. So I have a lot of concerns, and our riding has a lot also.

There is one question I think Mr Wong would be the one to answer, in regard to the different technologies that you were talking about. There was one that was brought on a while ago by E S Fox and the military college in Kingston, and it was a 40-foot trailer called a Pyroplasma, which actually was destruction, not incineration. I just wondered if there was any comment that there has been any more looking into that particular area.

The Vice-Chair: Mr Wong is not here at the moment and the deputy has had to step out for a moment also, but your question is on the record. If the staff who are here could get an answer back for you and the committee tomorrow, I suggest that might be one way of dealing with your question, unless there is someone else, Minister, who wants to answer Mr Hansen.

Hon Mrs Grier: I have this incredible crutch of notes. If I can find it through the thousands of pages that have been presented to me, I may even by able to answer the question myself. What is the name of the trailer?

Mr Hansen: It was Westinghouse Pyroplasma.

**Hon Mrs Grier:** It was a destruction method that they were able to move themselves?

Mr Hansen: Yes. It just could not get approval because it was not incineration, but actually destruction. It had a low flow of materials but it did not take solids, it only took a slurry, and it could go from site to site. It had been tested in Kingston for the state of New York in EPA hearings. It was approved to operate in Love Canal and is being used in Japan, Australia and countries in the Far East, but it was something that was never approved here. I just thought when I saw Mr Wong here, he might have a little bit of background. I do not know whether you—

Hon Mrs Grier: I certainly would like to know the answer to the question too, so we will get Mr Wong back and get an answer to that on the record as soon as we can.

The Vice-Chair: That is fine.

Mr Hansen: The other thing was actually on vote 1504, item 3, which has to do with the OWMC. The activity description was that the Ontario Waste Management Corp provides for the design, construction and operation of

a provincial facility for the management of liquid waste and hazardous waste, and there are no initiatives, I believe, and I know the hearings are going on. I am not getting into that, but the one thing was that part of that crown corporation was actually the waste exchange, and I do not see any figures at all involved in these estimates or initiatives. I think there should be an initiative marked in there that it is not just the destruction. This is something we inherited as a government, but I still do not see anything as initiatives in there.

Hon Mrs Grier: No, I agree with you and it was certainly something, when I was doing estimates, of which I was very conscious because the mandate of OWMC is not merely the destruction; it is the reduction and reuse and the facilitation of a waste exchange. My sense has been that that has in fact proved to be quite successful and has been growing in volume and materials exchanged. But I do not know whether Mr Boyko can answer some of the details of that or whether the actual portion of the budget that is being used for the waste exchange is something we would have to find out. That was one of the reasons that I had thought that perhaps having somebody from OWMC here specifically to answer questions might have been helpful.

Mr Posen: Without having an answer to the exact proportion, I think I can say with some certainty that the great majority of their budget is devoted to preparing for their environmental assessment and for the hearing, and I guess we have tried to direct them to get through that part of it before they came to us for additional moneys for other purposes.

**Mr Hansen:** But I understand there are moneys there already—

Mr Posen: There are for the waste exchange.

Mr Hansen: —for that waste exchange, yes. But it just did not show up, and I was looking in other areas and I could not find it.

1600

Hon Mrs Grier: I think that is a very valid question, one that I am interested in, and I will see if we can get an answer for that before tomorrow, Madam Chair.

The Vice-Chair: Thank you. I think, Minister, as we have in previous estimates had the chairman Dr Donald Chant before estimates to answer the questions specifically dealing with OWMC, that the committee might entertain that. The clerk is advising me that I am correct, that that has been the case in the past.

Since OWMC is now rolling down the road to I think 11 years and \$13 billion—I know when the minister and I asked the question last time it was seven years and \$8 billion. Anyway, if the committee would entertain that invitation to Dr Chant, it might be of relevance for any number of the members. Perhaps we could find out through our clerk whether Dr Chant or someone else would be available tomorrow.

Hon Mrs Grier: I know the previous minister always found it most helpful to bring Mr Chant here to explain OWMC to the members of the committee. I would be glad

to facilitate that, though time is a little short to ask him at short notice.

Mr Conway: It seems to me that in our situation these are differently styled estimates than we have had before. I think the Environment estimates are to be dealt with over two days, a total of eight hours. I think Donald Chant is a wonderful fellow and he has been here before, but we are really limited in time. I do not mean to be difficult, but there are lots of issues that I think we should—

Ms Haslam: It is our time, though, is it not?

The Vice-Chair: It is up to the committee if the committee wishes to have him.

Ms Haslam: Mr Hansen certainly has raised those issues and if that will facilitate the answers, then let's invite him

Hon Mrs Grier: Okay, but I do not know, given that the hearing is I think in process this week, whether in fact we can get Dr Chant at short notice. I will certainly try to get some specific answers about the budget and the amount that is going to waste reduction and have those for Mr Hansen in the morning.

The Chair: Mrs Marland, did you wish to speak to that issue? First, we have to deal with the issue of availability and then, if the consensus is to invite him, we should, in fairness to Mr Conway's comments, determine the limited amount of time we wish to deal with this matter.

Mrs Marland: If we could defer this until the critic returns from our caucus, then we can discuss it together, Mr Chairman.

**Mr Conway:** I have no difficulty, Mr Chairman. If some of the members wish to use their time in a cross-examination of Dr Chant, that is entirely their business. I will not be participating. I want to get on to some other things.

The Chair: Very good. Ms Haslam?

Ms Haslam: In your discussion at the beginning—I know you did not bring notes, but I made notes about some of the things that you had been discussing and I hear a lot about Mr Bradley as the former minister. We all know Mr Bradley is a dedicated person and I, for one, went to school with him and I know that he is singleminded and focused and an extremely hard worker. But I have also heard that sometimes, since he was previously the Minister of the Environment, he stood alone in the cabinet and did not always have the support of his colleagues. Your comments said it is taken into consideration for every decision, even in cabinet. Perhaps you could elaborate on how supportive your cabinet colleagues have been and give some examples of how you have been able to green the government.

**Hon Mrs Grier:** Well, I cannot comment on the past, but I certainly have—

The Chair: You cannot comment on cabinet either.

Hon Mrs Grier: On cabinet or on this current cabinet, but I certainly—I think the indication from the Minister of Transportation about moving quickly to deal with public transportation issues within Metropolitan Toronto and reinforcing our commitment to public transit over expressways is an example of what I meant by greening the govern-

ment. I am just delighted in the initiatives of the Minister of Energy in favouring energy efficiency and conservation as opposed to the development of new generating facilities. While that is primarily directed towards the avoidance of new, very capital intensive, major generating facilities, it also has the effect of making contribution to our battle against global warming and emissions.

The discussions I was having with Mr O'Connor around the Planning Act and the Oak Ridges moraine, that is again a cross-ministry initiative and certainly what this government has been attempting to foster. What I find very helpful is that initiatives are happening on behalf of a number of ministries, as opposed to just coming from the Ministry of the Environment, and that is what I meant prior to my taking over and subsequently when I said that we are not going to get anywhere if there is only one Ministry of the Environment and everyone else is pursuing business as usual.

What this government is trying to do is to make sure, as I said, that the environment is a factor in every discussion, even in the small things that we do, whether it be by greening our offices, using reusable glasses and cups as opposed to disposables and looking at how this government operates. I know the Minister of Government Services is considering a very forthright program of greening just our daily practices within government. That not only helps reduce our waste; it also helps us to speak with credibility when we are dealing with other segments of society that have not perhaps come to grips with the need to reduce and reuse.

I always found as an individual and as a critic that when you could say, "I use my blue box" or "I have a composting heap," it was very persuasive in dealing with other, even if they were very much larger, generators of wastes, and that is the kind of example that I think the government is moving towards. Even the requests from the Minister of Consumer and Commercial Relations to the Liquor Control Board of Ontario that it look at how it can move towards recycling and even perhaps returning some of its containers is an indication that the environment is not just a rhetorical commitment but something that all the members of the cabinet are concerned about.

Mrs McLeod: Mr Chairman, on a point of privilege, stopping the clock for 60 seconds: There have been from time to time during the course of the estimates process, and just in the last question again, references that imply an attribution about personal motivations, personal stances of individuals from the former government, either former members or present members. I am not anxious to rush to the defence of myself or my colleagues and take valuable time away from the estimates process, but if they continue it will be necessary in fact to make some personal rebuttals.

I particularly, as a former Minister of Natural Resources, do not want it to go unsaid that I am a very strong believer in environmental protection and conservation and brought those values to my role as minister. I believe that is also true of my other colleagues, and it would be impossible for anybody who is not part of those cabinet discussions to make any judgements otherwise.

The Chair: Thank you. I would agree that comments have been borderline in terms of imputing motive and I thought that, with only one exception, there were not similar questions raised about the government of the day. I would hope that all members would respect the process and be sensitive to the legitimate concern being raised by Mrs McLeod. Having said that, I would like to begin the clock again and, Mrs McLeod, you have the floor for questioning.

Mrs McLeod: Thank you very much. I should add I was also an environmentalist as a former Minister of Energy, just in case there should be any question about the two. Minister, I wanted to return again to the area of waste management, but specifically looking at recycling programs and future directions. You have stated in the past as a critic, and I believe it has been the policy of the NDP, to require municipalities to become involved in blue box recycling programs and also to require households to become involved in separation of their waste. Can I ask whether you are intending to institute mandatory recycling and when we can expect to see that kind of legislation?

Hon Mrs Grier: Certainly that is something I am considering. What I am finding as I talk to municipalities across the province is, as I indicated earlier, a very uneven degree of participation in recycling and also a very real sort of reinventing the wheel in all the municipalities going around as to whether it is good for them and how much of a cost and what the alternatives are, which I find a little frustrating. I think if it has been proved somewhere, then it can be done somewhere else.

However, part of the unevenness is the very real recognition of the difficulties of recycling. I spoke to one rural municipality and it was very sparsely populated. They had blue boxes, but they were driving a quarter of a mile between blue boxes to pick up the waste and wondering whether that was in fact the most environmentally sound way of doing it in that particular area.

I am very conscious of the need to devise programs that are applicable to the actual situations in the actual areas. One of the things I am looking at and have not come to a conclusion on is whether there is perhaps a size cutoff—municipalities of a certain size or a certain density, mandatory source separation, mandatory blue boxes—whereas a depot system might well do in parts of the north that you are more familiar with than I am. That is one of the considerations we are looking at as part of an overall and integrated waste reduction approach.

1610

Mrs McLeod: Is the absence of facilities to use recycling material, in your mind, a legitimate reason at this point for municipalities not to institute recycling programs?

Hon Mrs Grier: I am constantly faced with this kind of chicken and egg. The industries that would like to use secondary materials say, "If you can assure us of a steady supply, then we will make the investment that would provide the secondary industry." On the other hand, the industries and the commercial outlets say, "There's no point in

separating because we're not assured that there is in fact a market out there for the products that we're separating."

I think you have to go in lockstep and by mandatory source separation then and a time frame. If you say that there will be mandatory source separation by a certain date, then I think it gives the infrastructure and the market the time to catch up. As I say, in the facility in my own riding, which is a private-sector recycling facility, they go out and aggressively seek a market for the materials before they sign a contract with the generator that requires the separation and the transfer of the waste. You cannot do that on a province-wide basis. You have to put in place the mechanisms and let the market respond to a certain degree. But yes, I think mandatory source separation is one of the tools that I am going to be prepared to use.

Mrs McLeod: Can I just ask then, as you look at instituting mandatory programs and extending that mandatory requirement to households, what kind of monitoring, what kind of enforcement provisions do you anticipate having to use? Perhaps I should just let that stand as a question, but to add to it, are you looking at fines as a result of monitoring people who are not carrying out separation in accordance with your legislation?

Hon Mrs Grier: Yes, I think there is an awful lot of goodwill out there and an awful lot of people who want to take advantage of facilities and programs that will help them reduce waste. The response to the blue box—I remember in my municipal capacity suggesting something like that and being laughed at by the waste management people who said people are not going to separate their cans and their bottles and their papers and put them in the blue box, but in fact people have shown enough concern that they want to do that and are doing it in spades.

I would hope that we could avoid getting into a kind of a punitive mode and setting up a whole secondary set of people to go and inspect—you know, garbage police, as it has been described in some rather extreme portrayals of this. That is why I think it is critical that I work in concert with the municipalities, because the municipalities are the people who now pick it up. They are the ones who will be responsible and who are asking for some rules and for some guidelines.

I have looked at municipalities like southwest Oxford, which has had mandatory recycling for quite some time. One of their more effective tools and prohibitions is that they do not pick it up if the wrong things are put out or if it is not separated, so the householder is then left with another week of the garbage, which is not very pleasant often. I am not sure whether that is a sufficient impediment to doing it, but I am also aware that you do not want to just make it so difficult and so punitive that people give up and do not participate or that they begin to use dumping on side roads and, as I mentioned earlier, improper locations for disposal of their wastes. So it is a kind of negotiation and consultation in order to bring all the players and all the various levels on board and co-operating.

I do not think managing the environment in any way is something that can be done by any one level of government, by any one entity, and I have said for many years that the province or the federal government cannot legislate a clean environment. We are all players in the environment. We all have a responsibility and we all share a responsibility for our actions. The role of government is to make it simple and easy for people to do the right thing, and so the kinds of programs this government is looking at and the kinds of programs I am trying to devise are designed to achieve that end.

Mr Conway: I want to pursue that in my own sort of context, and I do not disagree with a lot of what you said. I am sitting here, thinking about my county of Renfrew; 36 municipalities. It runs 140 miles along the Ottawa River to an average depth of maybe 35 miles; in some places it is 60 miles. Some of those municipalities have as few as 200 permanent residents, and there is no subject which is gathering their attention these past few years quite like this subject and the attendant one, not at all unconnected, of taxes.

Added to all of this of course is a fairly substantial recreational population. I myself watched, for example, out in cottage country where some of the smallest municipalities can be found, where the community is the weakest in terms of its financial ability to do anything. Take a house in the largest community in the county, the city of Pembroke, and a cottage in one of the smallest municipalities: When the rules get tightened at the township dump, as thankfully they have been tightened, some really interesting things start to happen.

I know I am starting to change my own behaviour, and my inclination is not always as positive as it should be. I think I see some people from urban centres where the rules are much tighter starting to modify their behaviour as well. Then I start to imagine, I wonder what it is going to be like when the \$10-garbage-bag fee—I was living in Peterborough and Peterborough is the size—they have already made a decision of some kind. I do not know what it is, but I think they are moving to a fee. If there is a fee of, say, \$5 or \$10 where I have my house and I am going to the cottage every weekend—I was a reeve of the local—well, I tell you, some of it is happening.

Hon Mrs Grier: You are not going to bring your garbage to the cottage?

**The Chair:** He is certainly not going to bring it to his apartment in Toronto.

Mr Conway: I will tell you, Minister, that I am watching what is happening around some of those dumps. I am not disagreeing with your objective, but one of the concerns I have is going to be some of the enforcement. You do start to change your behaviour. I am now on occasion taking garbage from the cottage back to my house simply because it is more convenient etc. If I am doing it, I can imagine that other people are doing it in reverse. At the present moment there are a number of incentives, unintended and unfortunate, but they are there, and people who monitor these rural garbage dumps are telling me some fascinating stories about what is actually going on, and I do not think they are manufacturing this out of whole cloth.

I guess one of the questions I have is, what do you see as a practical alternative for an area like mine, where you have the tyranny of distance? It is so difficult to imagine organizing anything outside of the larger centres.

If things become mandated, then I am not necessarily saying it is unwise to do that, but for example we talked earlier about incineration. My sense is, just on the anecdotal evidence I see around me, that people who are anxious to reduce are doing some incineration now that they were not doing three, four or five years ago. My sense is as the screws tighten, particularly in an area like mine where disposable incomes and salary levels are not what they are in Burlington or north Toronto, boy, the temptation to resort to backyard incineration or what have you will be very considerable indeed.

I guess my question is, what do you see for an area like ours? What kind of options? We have no blue box program that I am aware of in any part of my electoral district. It would be hard to organize one in much of it.

1620

Hon Mrs Grier: That is exactly, I think, what I was saying in response to Mrs McLeod's question. I am not sure that I can say what is best for that community, but I know that there are a lot of people in your own community who are very concerned about recycling and want to see that happen, who have been struggling for a way to make it happen. I see a need, perhaps, for grant programs that make it easier for them to do it because of the distances, and I see, perhaps, the potential of a depot system as opposed to a blue box system.

I am disturbed at the thought that people would bring their waste from the city to the country. I certainly have been known to bring my newspapers back from the country because it is easier to put them in the blue box in the city than drive to whatever the depot is in the country, and I do not see anything wrong with that as long as it happens. I think the potential for cottage compost heaps is enormous and is one that has not been tapped. Say you get a composter at your home if you live in a single-family house; you should be having a composter wherever, so there are ways in which you can in fact reduce.

The difficulty then becomes with cardboard and waste wood and those kinds of things, but again if there are markets developed—scavenging was not that bad in the days that it happened; therein I think you will find that it is worth somebody's while to go out with a pickup truck and pick up the waste cardboard or the wood that somebody else wants to dispose of, because it costs too much to dispose of it.

Mr Conway: My colleague from Nepean wants to get in on this and I just want to make one final observation: The group that has probably been the most creative in looking at some of the alternatives in my area—very good people—actually have been complaining to me for some number of years about the master planning process. It seems to me the government's point of view rightly turns on the notion of regional planning. These people feel that in fact it is big town versus small rural area. They feel that there is something inherent in the whole master planning

process that militates against the very kinds of enthusiasms and alternatives that they see on the very local basis as being a very attractive alternative.

Hon Mrs Grier: I am interested to hear you say that, because as I say, in opposition I always had qualms about the mismanagement of the master planning process, and that is something that, as we have indicated, we will be looking at.

Mr Daigeler: I actually had a questionnaire in one of my householders last year on the issue of paying fees for garbage. I shared it with the previous minister, but I will share it again with you. The results: It was very clear that two thirds of the people were against the fee concept, mostly because of points that Mr Conway just made, but also they thought it was just another form of taxation and that they were paying heavy taxation already. They were very much in support of the blue box program and recycling and reduction of waste and so on. So, very supportive but very critical of charging fees or fines or anything of that nature.

The Liberals in the last campaign were thinking not just of a blue box program, but also of a yellow box program. I am sure you are familiar with that. They have it as household wastes. Paint I guess would be one of the things that comes to my mind; thinners, used motor oil and that kind of thing. Are you looking at instituting that kind of program for hazardous household wastes or what are you planning there?

Hon Mrs Grier: Certainly the establishment of household hazardous waste days in municipalities or the toxic taxi that some municipalities have going out and picking up toxic waste is proving in large centres to be very successful and the response has just been enormous. As to the yellow box that was announced during the last election campaign, I have been unable to find a great deal of program development or policy preparation for that initiative, so I do not know whether anyone from the ministry wants to respond to it. I see Hardy raising his hand. It is not under active consideration at this point. I think there are some very real constraints in doing it. Do you want to talk a bit about how you had seen it working?

Mr Daigeler: You are not concerned about the household hazardous wastes?

Hon Mrs Grier: Oh, extremely concerned, but I am wondering whether in fact a separate pickup at the curb is a good way to do it. Is that not the primary concern?

Mr Daigeler: If that is not the direction you want to go in, which way do you want to go and what resources are you prepared to allocate? That brings me back, also a little bit earlier, to the response that you made to an earlier question. You said reallocating funds within the ministry in order to meet your priorities, but still in order to get programs started you usually have to give an incentive to the municipalities, an incentive to the individuals. What kind of incentive are you prepared to give to the program that will reduce hazardous household waste?

Hon Mrs Grier: Perhaps you could talk a little bit about the hazardous waste program, Hardy.

Mr Wong: Hardy Wong, the waste management branch. The yellow box is one idea to try to control the household hazardous waste. We did some very quick studies on it and it is very cost-intensive. The major problem with respect to the yellow box is the health and safety aspect if the households put the yellow box at the curb full of paints and aerosol cans and oils and pesticides, and so on. Children might play with the boxes. The boxes must have lids rather than a blue box concept. It must have a sealable type of material so that kids will not play around with the yellow box.

However, what we are doing is detailing and examining various options about the methods to control household hazardous waste. The minister mentioned about the household hazardous waste days, as well as the other toxic taxi idea that some municipalities have instituted and borrowed from the European experience as well. It is cost-intensive to have a taxi driving around the municipalities to individual households and having to line up with the schedule of the householder. They have to be at home when the toxic taxi arrives to avoid having that box at the curbside.

What the ministry is promoting is the permanent household hazardous waste depot idea, instead of having one or two days the whole year. That requires two things. One is a tremendous amount of publicity to inform the citizens that this particular Saturday morning or Sunday morning is the local household hazardous waste day, and two, it is extremely inconvenient when the householders are maybe away from home and cannot make that particular time slot that the household waste day is open. The important thing is to make the system as convenient to the householders as possible.

We have now 12 municipalities in Ontario that have established permanent household hazardous waste days, which means every Saturday morning, for example. For a half day that location will be open for business to receive household hazardous waste from the public. So you do not need extensive public communication programs and it is very convenient for households because any other Saturday you can go there. It is also staffed with very little cost, because you only need one competent staff to be at the site for half a day sorting the material, dealing with the manufacturers, recycling the oil, recycling the paint—which is happening—recyleing the aerosol cans, and so on and so forth.

We believe at this early stage that initial assessment is that a permanent household depot may be most effective and efficient and cost-effective for the province to move toward.

**Mr Daigeler:** Could we get some figures, or perhaps you have them already, on what is presently being spent by the ministry on this kind of program?

Mr Wong: The annual budget is about \$250,000 for the last four years.

Mr Daigeler: It is \$250,000.

**Mr Wong:** It is \$250,000. We provide 50% funding, up to \$15,000, for each municipality for one event.

Mrs McLeod: Returning to the requirement for recycling, can we expect to see that requirement for recycling in Toronto apartment buildings and at the communities as well?

Hon Mrs Grier: Yes, that certainly is something that Metropolitan Toronto has now moved on. It is looking how it can extend the blue box into apartment buildings. One of the things I want to see happen is new apartment buildings designed in such a way that they facilitate recycling and have space for dumpsters, if that is what it takes, rather than continuing to build on the old model that has one chute and everything went down it. So yes, we hope to have some initiatives on that before I am back before you again.

Mr Cousens: I want to just quickly, if I can, and the time is slight—I find this system not the greatest. I would rather see a larger block of time and then we could go through it, because it interrupts the flow of thought, but you run the committee and the committee does agree with what we are into.

The Chair: I am an instrument of the committee, Mr Cousens.

Mr Cousens: I know you are and the last thing I want to do is criticize the Chair.

The Chair: Welcome to the committee.

Mr Cousens: When will the PCBs stored in this building and in other places be destroyed? Have you a time frame in which there will be destruction of PCBs in these thousands of locations we have got?

1630

Hon Mrs Grier: No, I do not. I think we have to get greater assurance that the methods for destruction of highlevel PCBs, such as the method we are using in Smithville, in fact work and work safely, and perhaps hope that there can be some other methods devised, as have managed for low-level PCBs, but I do not have a timetable and I anticipate that perhaps some of the more experienced people in the ministry can tell you that.

Mr Posen: To note a couple of things, one, there is one permanent approved facility for the destruction of high-level PCBs in Canada and that is Swan Hills in Alberta. The federal and provincial governments have been investigating whether there are other non-fixed incineration techniques, and as Hardy noted a number of different technologies have been looked at.

We are now going through our first experience with the transportable incinerator that is being set up by Ensco Corp. The city of London has a committee of interested citizens who are working with the council and exploring mobile or transportable incineration to see if they can come to an agreement to incinerate high-level PCBs in their municipal area. The cost of setup in these circumstances, at least for the Ensco incinerator, is very high indeed, and I think beyond the financial ability of individual municipalities, other than the very large ones, to use.

Ontario Hydro has been talking to us about various incineration approaches that it wants to explore. I expect

that they are the organization in Ontario that has the largest number of licensed PCB sites.

Third, we have raised the issue of the Ontario Waste Management Corp in an ideal world as we begin to regulate PCBs coming out of active use. It was roughly the same time that governments began to think of the need for a publicly financed incineration facility. I can only assume that if that facility had proceeded on a different time frame, there would be a facility available in Ontario, but just to note, there is not one in any of the provinces to the east of us or to the west of us, other than the Alberta facility.

Mr Cousens: When you send me, Minister, the inventory of PCB storage locations. I would also like to have the volumes that are there as well, if possible. I already find that we have the 1989 listing, so we are not looking for that old one. If there is a new up-to-date listing of the PCB sites, that is what we are looking for, or if there has been an update to it that you can give us. I just do not want that old piece of paper.

Hon Mrs Grier: I do not know whether the 1991 would be prepared at this point in February, but we will certainly try.

Mr Cousens: All right. I want to just ask quickly. There just is not enough time to get into it, so I would like to be more crisp, if we can, in both questions and answers. Biomedical wastes: I am concerned with what is happening there. The province did a study about five years ago assessing hospital incinerators. I wondered what has been done since. Is there a report on that so you can give what progress has been made in upgrading and improving hospital incinerators in Ontario to ensure that they are not polluting beyond air pollution guidelines?

Hon Mrs Grier: I will ask Hardy Wong to respond to that one too, if I may, please.

Mr Wong: Biomedical waste: We have an approval process which at this time by policy says that if it is over 10 tons per day per unit, this type of facility will be subject to the approvals under the Environmental Assessment Act, and if it is under 10 tons per day, these facilities will be subject to the Environmental Protection Act approval requirements.

Currently we are looking at, with the Ministry of Health, a multi-year biomedical waste infrastructure development strategy which calls for facilities around the province on a principle of regional biomedical waste destruction. One of the first two areas is in the Thunder Bay area, the other in the Sault Ste Marie area. These are being picked jointly by the two ministries as the priority area because they are not accessible to the limited current infrastructure existing in the province. We had to rely on the Quebec facilities for destruction of commercial biomedical wastes. The costs for these types of facilities probably range from \$2.5 million to \$3.5 million per unit.

**Mr Cousens:** Has there been any upgrading of existing incinerators over the last few years?

**Mr Wong:** I believe so. I cannot give you the figures right off the bat right here.

**Mr Cousens:** Do you have a listing of the ones that are approved to operate right now?

Mr Wong: We do, yes.

**Mr Cousens:** Could I get a copy of that? And maybe you could answer this question. Why has the London Victoria Hospital system been shut down and what is the problem on that?

**Mr Wong:** The London Victoria Hospital has nothing to do with biomedical waste at all. It is an incinerator for municipal solid waste.

Mr Cousens: Oh, I see.

Mr Wong: If you want me to expand on that, it is fine, but—

Hon Mrs Grier: It was built as a revenue generator for the hospital, and what they found was that it was in fact not generating any revenue.

Mr Wong: As the minister is saying, the tipping fee that the London Victoria Hospital receives from the city is about \$5.14 a tonne, and that is not enough to sustain the operational costs for the London Victoria Hospital.

Mr Cousens: If I can then have a listing of those incinerators that are licensed and operating in hospitals right now—have you approved any in the last year?

**Mr Wong:** No, it is only one municipal solid waste incinerator that is associated with hospitals. They are not biomedical waste incinerators.

Mr Cousens: I am talking about biomedical. My question originally was based on that and I thought that the London Victoria Hospital was a biomedical one.

Mr Wong: No, they do not handle biomedical.

Mr Cousens: But York Central Hospital in Richmond Hill is a biomedical.

Mr Wong: That is right.

Mr Cousens: Are there others like this that have been approved in the last year?

Mr Wong: I can get those data for you.

Hon Mrs Grier: The study that was done, I think, was looking at incinerators that had been in operation prior to 1986, and the study that I recall having been released indicated that a lot of those were not in compliance when it came to emissions. So the work of the ministry has been concentrating on phasing out and replacing some of those older ones, but we will try to get a list of them.

Mr Cousens: That was my question that had to do with the emissions that are coming from them and just what is being done to upgrade them in order to bring them to the standards that we have today. That was the original question.

Hon Mrs Grier: I gather the Ministry of the Environment and the Ministry of Health have agreed in principle on a new strategy of shared facilities that is designed to eliminate the ones that are pre-1986 and that have in fact been problems. But I am not clear how far that has proceeded or whether in fact any new ones are under construction. We will find that out and provide it as part of the answer.

Mr Cousens: Thank you. What are funeral homes doing with their wastes right now?

Mr Wong: It depends what is biomedical waste and what is not biomedical waste.

Mr Cousens: Yes, mostly biomedical. They know how to get rid of their garbage and recycle it, but what do we do with the biomedical? You are dealing with blood and other ingredients.

Mr Wong: That is right. If it is infectious, then it is defined as biomedical waste. The hospital informs the funeral homes whether that particular case is infected or not. If this is the case, then these particular wastes in the embalming process are being taken to licensed biomedical waste facilities, ie, the hospitals. If they are not informed by the hospitals, then they treat it as normal body fluid into the sewer system.

Mrs Marland: Oh, wow, that is pretty serious.

Mr Cousens: So AIDS patients were—

**Mr Wong:** That would be dealt with by the hospital informing the—

**Mr Cousens:** The funeral director does not know that this person had AIDS.

**Mr Wong:** They are notified by the hospital.

Hon Mrs Grier: They are advised by the hospital, as Mr Wong says, if the case had an infectious disease and then it is dealt with as biomedical hazardous waste.

Mr Cousens: But, Minister, if some of the refuse from funeral directors may be dealt with in another way than going to a biomedical incineration process, how is it dealt with then?

Mr Wong: If the body parts, I understand, have been-

**Mr Posen:** Hardy, I think that one is of sufficiently technical detail that it is probably worth checking on that before answering on that.

The Chair: The deputy has indicated he may need additional technical information, but if you have it, you are before the committee and we would appreciate your being forthcoming with it.

Mr Wong: Okay, I will provide follow-up details if you want because biomedical waste is a complicated issue.

Mr Cousens: It is a very, very important subject and it comes out of this whole business. The minister has said earlier today her views on the incineration of municipal waste, and we see a situation now developing around biomedical waste. In particular, I happen to have a certain sense of wanting to know what funeral directors are doing with all their wastes. So the answers—

1640

**Hon Mrs Grier:** I think it is a very important question and I do not have the answer. We will find it by tomorrow.

The Chair: Supplementary, Mrs Marland.

Mrs Marland: Why it is such a significant question is that, if a general physician in medical practice is referring an AIDS patient to a surgeon, under the Charter of Rights, that general practising physician is not able to warn the

surgeon that that patient may have AIDS in fact. So I doubt very much that the hospital can tell a funeral home that that patient died of AIDS.

Mr Wong: I did not say it passed AIDS. I said just to define biomedical waste. That is all he has to say.

Mrs Marland: Well, the point of Mr Cousens's question is, if in fact that patient has died from AIDS, it is very significant what the restrictions are and what they do with that waste at the funeral home. That is the point of the question. We will look forward to hearing the exact answer, if not what your ministry—

Mr Wong: The Ministry of Health should-

Mrs Marland: Yes, but if it is incineration, it comes under your ministry.

Mr Cousens: Minister, I would be grateful to have it by tomorrow.

Hon Mrs Grier: We will try. To clarify, the hospital will not, as I understand it, identify the nature of the infectious disease. It will merely identify that that particular cadaver or any body fluids from it have to be disposed of in a way consistent with being biomedical waste, so that the confidentiality of the cause of death is preserved. The flagging that this is dangerous and therefore has to be disposed of properly is there. But we will find out what the guidelines are.

Mr Cousens: I want to go on record to certainly make it very clear that I am concerned about the possibility of how the remains of a person who has AIDS are being handled. It has to be done in such a way as to protect everybody. This is not something that should take a lot of time. I would be very disappointed if we did not have a clear statement on this by tomorrow when we meet again, because who knows how long it is before we see you in estimates again?

Hon Mrs Grier: We will do our best.

Mr Wong: It is exempt from EPA, the crematoria that you are talking about, incineration.

Mr Cousens: But I would like to have some answers. I wanted to ask about the tire problem in the province of Ontario and I would like to ask the minister if she would give me a breakdown of the spending of the \$16-million program announced after the Hagersville fire last year, and I guess, while you are searching out the answer—

Hon Mrs Grier: Can I ask André Castel, who has gone over this with me several dozen times, to provide you with the same figures?

Mr Cousens: I guess the kind of thing that falls into it too, Minister, is whether there is any intention of increasing the funding on tires to equal the taxes that are being collected. In fact our estimate is that some \$45 million is being collected in taxes, so this will all tie in to the progress that has taken place in your ministry on recycling and use of tires.

Hon Mrs Grier: While Mr Castel provides the exact figures, let me assure you that there is money in the fund to cover the initiatives that have been taken with respect to tire recycling. What I found was that the revenue generated

by the tire tax goes into the consolidated revenue fund, not into the budget of my ministry.

Mr Cousens: Well, we knew that when it came through and we criticized it, and I think you joined in the criticism.

**Hon Mrs Grier:** That is right. Absolutely.

Mrs Marland: I tried to get it-

Mr Cousens: What happened with Margaret Marland? I mean—

**The Chair:** The minister has the floor and let her finish.

**Mr Cousens:** But we are not getting good answers.

**The Chair:** You will save your great rebuttal for when you have the floor, Mr Cousens.

Hon Mrs Grier: The \$16 million that appears in the estimates before you was that allocated to my predecessor by the provincial Treasurer of the time. It does not appear to have been related in any way to the actual dollar amount of applications for use or for granting from the tire fund, so not all of the \$16 million has been spent because it is certainly the feeling of the ministry, and one with which I concur, that we only spend that money on projects that appear to have some hope of being a fruitful way of generating a solution to the problem.

**Mr Cousens:** You do not disagree that it is \$45 million left in the state's pocket?

Hon Mrs Grier: Oh, no question. But I also do not think that I want to spend that money unless I am sure that in fact I have some solutions. Mr Castel will tell you what we have spent it on so far.

**Mr Cousens:** I would be most pleased. I do not want to see you misspend money.

Hon Mrs Grier: Good.

Mr Cousens: But I would like to see some action coming and that is what this question is leading to.

Mr Castel: If my memory is correct, I think the 1989-90 budget of the Treasurer that was presented to the House specified—I think this is on page 5 of the Treasurer's budget—that the funds that would be generated from the tire tax will go to the consolidated revenue fund to fund environmental initiatives. It did not tie it in to tires per se, but it was for all new environmental initiatives. What was allocated to the ministry was \$16 million, and I can give you the breakdown of the \$16 million.

Mr Cousens: Please do.

Mr Castel: Well, \$4 million was allocated for the used tire processing and recycling technology, to look at technologies that are available, and we expect to spend approximately \$3 million by the end of the fiscal year. We have also been allocated another \$3 million for research into tire-derived products, technologies and market development, and here again we expect to spend about \$70,000.

Mr Cousens: You allocated how much and you are spending?

Mr Castel: Three million dollars were allocated.

Mr Cousens: And you are spending \$70,000?

Mr Castel: Seventy thousand is the best estimate I have as of today.

Mr Cousens: The minister would like that.

**Mr Castel:** Another \$2 million was allocated to enhance security at large tire stockpiles in Ontario, and here we expect to spend \$2.5 million.

**Mr Cousens:** What does that do? Do you bury tires so that you do not have to guard them?

Mr Castel: This is the provision of security for tire sites to make sure that we do not have another Hagersville.

Then \$5 million was allocated for the utilization of recycled tires and we expect to spend about \$2 million. That is the best estimate I have. There is also another \$16,000 that ought to be spent on a tire study workshop and—

Mr Cousens: What is the tire study workshop?

Mr Castel: I do not know how you want me to elaborate on that.

**Mr Cousens:** How much was it that is being spent on that?

Mr Castel: Just \$16,000.

**Mr Cousens:** Sixteen thousand dollars on a tire study workshop.

Mr Castel: Yes.

**Mr Wong:** It is a workshop that is upcoming.

The Chair: If I could recognize Mr Wong again, please. Thank you.

Mr Wong: The tire workshop is upcoming next month. It is a forum where we invited multistake holders to come to that workshop, and we are estimating about 100 to 150 people, to look at worldwide technologies, look at the policy issues and look at the market issues as well.

The Chair: Okay. Thank you, sir.

Mr Cousens: That is \$16,000?

Mr Castel: Then there is an asphalt demonstration project at Haldimand-Norfolk, another \$1.7 million to be spent. In total, by the end of the fiscal year, we expect to spend \$9.6 million, and that is the best estimate we have today.

**Mr Cousens:** I am interested—the minister seems to have disappeared.

The Chair: She will be right back.

Mr Cousens: I guess what I am interested in is the status of the tire recycling committee that has been established. Is that still in operation and are there any reports forthcoming from that?

Mr Wong: Yes. The tire recycling committee is again a committee that consists of multistake holders. It is a link between the ministry and the other stakeholders in developing various information bases that will be required. One notable example is the commissioned background study which really pulls all of the information together: who is doing what, what is the waste and the network and the infrastructure in Ontario, who is paying who in the transportation and the storage and the processing of wastes. Once you understand the marketplace dynamics, then you

can institute the policies and programs to facilitate that infrastructure and to enhance the continuous development of the infrastructure that we need in Ontario.

Mr Cousens: Could I have a list of the names of the people that are on the tire advisory committee? Is that public information that I could have? And these are still active members of the committee, I assume? Is there any report that has come out of that committee? For instance, they have been meeting since Hagersville, so almost maybe 10 months they have been meeting. Is there any progress report at all that can be shared?

Mr Wong: I believe so. There are minutes. If you want to, you can—

1650

Mr Cousens: Could I have a copy of that?

Mr Wong: It is a very open meeting.

**Mr Cousens:** Okay. It would be much appreciated as well if we could get a copy of the minutes of that committee.

The Chair: Thank you very much, Mr Cousens, gentlemen. Mr Wilson.

Mr G. Wilson: In listening to the response to the minister's opening statement from the two opposition parties, I was struck by the thought that in some ways they see the Ministry of the Environment as being isolated in the sense that—

The Chair: It is on St Clair Avenue, which is quite some distance away.

Mr G. Wilson: That too, but also in its mandate which appeared, according to their remarks, to be, I guess, almost like a superminister and/or a superministry, in other words, in charge of rescuing us from impending environmental doom. I think the minister, in answering a later question about her consulting with her cabinet colleagues, showed that it is very much a collaborative, co-operative approach to the environment, which I think we all realize, that it is a huge issue that probably one ministry cannot handle completely. It can give direction but it has got to rely on other ministries, because they of course impact on each other in the interaction.

What I was wondering about is the consultation. Certainly it exists in the cabinet, but also among the citizens of the province. This raises the question of the environmental bill of rights, which I think has had a checkered history in the Ontario Legislature. It was, I think, introduced in the early 1980s by Liberals in opposition, and then when they formed the government, I think parts of it were brought into legislation, but nothing very substantial. Then you yourself, Minister, introduced an environmental bill of rights on several occasions when you were in the opposition.

Now that you are minister, I would like to know what role you see the environmental bill of rights can play. I know you have established an advisory committee to look at all aspects of it. First of all, why did you establish the committee? What are you hoping to gain from it? Then, I would like you to precede your answer with perhaps just a few comments about why you think the environmental bill of rights is an important endeavour.

Hon Mrs Grier: It is a very important initiative and one that has received support on all sides of the House. I think what it is going to do is establish the right of citizens to act to protect the environment. They have often in the past attempted to seek legal redress of contamination or pollution that affected them and had to have a real struggle in the courts about their standing and whether they have a right in fact to launch a suit because of pollution. The intent of an environmental bill of rights has been to give them that right and also to establish their right to information and to consultation, just as you identify is appropriate in this day and age of environmental concern.

The principles of the bill that I always introduced in opposition had been devised by my predecessor as Environment critic, Murray Elston, the member for Bruce, and I am very pleased that my current critic in the Liberal

Party has introduced that selfsame bill again.

What I am finding as a result of the incredible resources made available to me by virtue of my elevation to the role of minister is that there are better ways of doing it. The advisory committee that has been established is telling me just that and is looking at the principles underlying the bill and saying—I do not want to cast any aspersions on the legislative counsel or those that work up private members' bills in opposition, but they are not as good as the legal advice one gets when one is minister.

So what I am hoping will come out of the consultation processes we have had and which is being driven very hard by our legal department is a bill that will be clearer, be easier for the public to take advantage of. I do not want something that is so full of legal gobbledegook, with all respect to the lawyers on the committee, that your average citizen, whom it is designed to help, cannot understand what his redress is under this bill. So the work that is going into producing the bill is designed to do just that, and I will ask Bonnie Wein to comment on that in a minute.

Let me say with respect to timing, as was said in the throne speech last fall, that it is the government's intention to have such a bill before the Legislature in the coming session and then there will be an opportunity for comment. A lot of groups that have very real concern about it, and the advisory committee I have established was not designed to seek real consensus on how the bill should operate but to give me the best possible advice on how the principles underlying the bill could be drafted into law.

If Bonnie wants to comment in a bit more detail, I think members of the committee, who I know are really interested in this initiative, would find it useful.

Ms Wein: Bonnie Wein—I am the director of legal services, and in this capacity I am the chair of the advisory committee. Perhaps I can assist by outlining to some extent the process of consultation that is being undergone at the present time. The overlying process has an open public request for information, so anyone can make written submission to the committee and we are garnering a large number of submissions. The closure date for that is 1 March. We are receiving about 15 to 20 submissions a day now. It is on an escalating track, and we expect to be very busy towards the end of this month so we are assimilating all of that advice.

The advisory committee itself consists of about 25 groups. Environmental groups, labour groups, health groups, legal groups, the Advocates' Society and the Canadian Bar Association are all involved and giving up a great deal of their time. We have been meeting once a week for three to three and a half hours and have been receiving advice from legal and environmental experts across Canada with respect to various principles of an environmental bill of rights in this jurisdiction and as it has been developed in other jurisdictions.

That sort of educative process, in which there has been very open discussion amongst the different interests represented at the committee, was completed last week, that educational component of the process. We are now dividing, starting tomorrow, into working groups where we will consider, not really draft but principles options, which present a range of options that might be utilized or accepted by the government, which will have varying degrees of strength and varying problems with them. And we will present at the end of the process to the government a list of options, with some of the pros and cons and resource implications with respect to those.

In terms strictly of the resource implications, and I think a process that has not previously been undergone in this amount of detail, there is an interministerial committee consisting of what we expect to be the key ministries involved: the Ministry of the Environment, the Ministry of Natural Resources, the Ministry of Municipal Affairs, Northern Development and Mines, Ontario Ministry of Agriculture and Food and Ministry of the Attorney General. They are providing input with respect to how some of the options being assessed by the advisory committee would have an impact in their individual ministries: the number of regulations that would be affected; whether they have existing processes that would be affected; whether there can or should be an overlap in those existing processes; whether the principles in the bills could be implemented through changes in their individual legislation or an umbrella change in the environmental bill of rights.

So all of those enormously complex issues are being considered in conjunction with both committees, and our time frame for consultation at the present time requires us to have all of this done by the middle of March. So we are working very hard and very quickly to assess some of these difficult and challenging issues.

It is certainly an interesting process. As the minister has indicated, it is not the mandate of the committee to reach consensus, fortunately for the chair, because there is a very broad range of interests represented. But those interests, I think, are actively involved in giving us their best advice with respect to the implications of the various options being presented, and it is a process that I think the minister will find very useful as she considers some of the issues that will be before her.

1700

Mr G. Wilson: I am surprised, though, that with such a thorough-going approach and such wide consultation it still yields what the minister has called the most advanced legislation in Canada. It seems a bit modest, does it not—not even North America?

Hon Mrs Grier: The only word I have not used is "world-class." An awful lot of hard work has been done by the ministry in a fairly short time frame. I did not realize there were 15 submissions a day coming in now that talked on the bill of rights. I think that is an indication of what a popular initiative it is.

There are also some segments of society—and I have met with them—that have some very real concerns, and they have not yet seen a draft, they do not quite know what the implications are, they worry about how this may be interpreted. So what Bonnie and her committee are doing is wrestling with the very varying degrees of enthusiasm for the bill, to come up with something that maintains the principles I certainly feel are very important, is workable and is understandable and will achieve the objectives. I have every confidence we can do that. Then members of the Legislature, of course, will have an opportunity to have their input when first reading has occurred and the bill is before committee, which I hope to be next summer.

Our time frame, as I say, is tight yet achievable, and I am enormously grateful to the people who have put a lot of time into working on it. The day I walked into the first meeting of that advisory group and saw all that range of talent addressing an environmental bill of rights was, I guess, the day I really realized I was minister and in a position to have some influence, so it is very exciting.

Mr Hansen: It is actually for the deputy minister. It was a comment you made about Swan Hills. I have visited Swan Hills. I have been out there twice looking at the site. The thing is that what the people in Alberta were promised—maybe it has changed now—was that they would not be accepting waste from other provinces. The other thing is that the distance from Ontario to Swan Hills is quite a distance, and the chance of an accident hauling high-level PCBs that far—I would just like to hear the comment, because you made a statement and I had heard differently. If you can clarify that.

Mr Posen: The intent of my comment was simply to note that there is only one licensed permanent facility for the destruction of PCBs in Canada; it happens to be in Alberta. I was not, in saying that, suggesting that we would send our PCBs there. I think I was trying to note how difficult it is no matter where you are in Canada to get an approval for this kind of facility; second, to confirm that the understanding when that site was built was that it would be available for hazardous wastes from Alberta and-what I think was said at the time-that if that policy should change the government would ensure that it consulted with the people of Swan Hills in considering any change. I guess the first occasion in which there was some consideration was the St Basile PCB fire, and there was some suggestion that the residues there be sent to Swan Hills. If I remember, it even started once or twice but due to transportation problems never left Quebec.

Mr Hansen: I am trying to remember whether it was talking to the minister or talking to environmentalists. For a paper written, new chemicals that are introduced into the

province, that there be a safe way of disposal; the problem is that with the makeup of some of the chemicals, it is hard to actually dispose of them in the end. In other words, if you come in with a new product there should be a safe disposal way. Can you comment on that?

Hon Mrs Grier: I think you are referring to an initiative under the federal Environmental Protection Agency, where they are looking at an approach that every new chemical coming on the market has to be screened as safe. Whether the disposal is part of that, I do not know. Perhaps I could ask Gerry Ronan—is he the person?—or Ken. Just the question of persistent toxics is really what you are talking about and how we can prevent them from remaining in the environment. I think that is very relevant and something we have been trying to address. You need to introduce yourself, Gerry.

Mr Ronan: Gerry Ronan—I spoke earlier. The minister is referring to the Canadian Environmental Protection Act regulations. With any new product now that is imported into the country, there is a requirement that it must be demonstrated that it is safe and that all its environmental impacts are known and that there are all kinds of studies with respect to its mutagenicity, whether it can change genes, whether it is a carcinogen, all the factors that go into evaluating the degree of toxicity associated with that particular compound. That is what is happening on the federal jurisidiction with respect to the import of any new chemicals on the marketplace.

**Hon Mrs Grier:** Does that relate to its disposal, Gerry, or is it merely to its introduction to the market-place?

Mr Ronan: It is my understanding that it only relates to its introduction to the marketplace, and then it behooves all the regulatory agencies, when they are faced with the challenge of its disposal, just like PCBs, they will have done all the checks in terms of the technology to make sure that it meets all their requirements in terms of the regulations and all the safety and environmental health provisions. That is devolved to the provinces that would have it on the marketplace, so its subsequent disposal would be followed in that domain.

The Chair: Mr Hansen, you have four minutes left. I have Mr Lessard, Ms Haslam, and Mr Perruzza. There also is going to be another rotation before we adjourn today.

Hon Mrs Grier: I think Ken wants to comment on that first question.

**Mr Hansen:** Is **Mr** Wong at the last session? Is he going to be here tomorrow?

**The Chair:** Yes, Mr Wong is going to be here.

 $\mbox{\sc Hon Mrs Grier:}\ \mbox{\sc I}$  wondered if Ken wanted to add to the—

The Chair: Could you identify yourself, please?

Mr Richards: Kenneth Richards, co-ordinator, intergovernmental relations. We look at the problem as two: those products which are new which are incoming to the country, which, as Gerry Ronan explained, are subject to rigorous testing; what you have to consider as well are those which are in existence for which additional studies

are required, and in that case, CEPA provides for the adoption of regulations for the control of those substances. Those substances are listed in the federal government's priority substances list initially, in other words, the top 43; those top 43 are subject to discussion with the provinces in terms of their disposal.

Mr Lessard: Minister, it has taken a while for the questioning to get back around to me, but my question is related to a comment that you made in an answer earlier about development of marketing for products that may come from recycling. In the estimates, on page 38, I see there is a significant increase allocated for blue box funding. I understand that these are estimates that were prepared by the previous government, and I do recognize that there have been quite a number of advances in recycling as a result of the blue box program, but there are some restrictions with the blue box program and one them has to do with the fact that there is a limited number of items that can be recycled with this. Some of those items, for example, glass and pop containers that are made of aluminum or steel or different colours of glass, if they are mixed may not be of much value, and also there is only one particular type of plastic that can go into the blue box. So if this indicates a commitment towards the blue box program, perhaps there is another way of making sure that the blue boxes continue to be viable by having some sort of regulations with respect to uniform plastics in packaging; also, as far as development of marketing for recycled products goes, perhaps a requirement that recycled plastics or recycled materials get used in new manufacturing processes. I would like you to address those issues.

1710

Hon Mrs Grier: I think your point is very well taken, because one of the problems is the lack of consistency between communities as to what can go in the blue box. People in my own riding ask, "What kinds of plastics can we put in our blue box?" and I have to stop and think whether that is what my municipality picks up or some other municipality. That is the kind of consistency I think we are going to have to have before we can expect industries to come in and begin to develop new uses for the products.

Part of the increased funding you have seen in last year's estimates prepared by Mr Bradley was, I think, to expand the number of municipalities that had the blue box. What I hope you are going to see in my estimates next year is funding devoted to the waste reduction office and an educational development program that will get some consistency from community to community and that will work with the manufacturing sector to develop industries that can reuse these products. There is no point in collecting the stuff if it has to be disposed of because it has not been collected in a proper manner, such as the mixing of the glass, or if with the material that is picked up nobody is available to purchase it and to use it.

I realize that there are two steps in the reusing stream. You have to first take the products you pick up in the blue box and then create them into a raw material that then somebody can use to make a product. We find that particu-

larly with tires. There is a whole industry on the shredding and the crumbing of the tires—that is relatively easy to do—and then you have to persuade people to use these crumbed tires to make sport track, asphalt, interlocking bricks, underlay for carpet, all the things that the tire tax we were talking about earlier is now funding.

The same with the plastics. One kind of plastic can be turned into pellets to make some things but cannot be mixed with another kind. So finding that consistency, developing a system whereby it can be separated in relation to the markets that are available, is very important and will be part of the mandate of the waste reduction office.

Mr Conway: There are just two or three things I would like to touch on before coming to clean air and clean water and MISA.

I was listening to the exchange between the member from Kingston and the minister about the environmental bill of rights. I was trying to imagine what Stephen Lewis would say if he were here, and I think he would say one word, and he would say it with a delicious ring in his voice. That word would be "chutzpah"—I can just hear him do it—that a Jeffersonian possibility of a politician writing a bill of rights somehow becomes a wonderful kind of Congress of Vienna headed by the head of the legal services branch—a very fine person by all accounts. I understand entirely why it is happening, but I have to pinch myself and say, "This is the NDP in power." I would be excused that partisan observation, perhaps but I am going to be very interested to see what issues come from that consultation, and I would request—

Hon Mrs Grier: I guess I missed your point.

Mr Conway: I think you understand.

Hon Mrs Grier: No, seriously. It is too convoluted even for me. Can you try again?

**Mr Cousens:** Two convoluted people not understanding each other.

**Mr Conway:** Could we have the minutes of the interministerial committee working on the bill of rights?

**Hon Mrs Grier:** I do not know whether you could or not, but let me ask—

Ms Wein: Bonnie Wein, director of legal services. The interministerial committee does not keep precise minutes because we have an ongoing process of requesting and getting back information. We have not really gotten to the stage of synthesizing; we are about a step or a step and a half behind the advisory committee. The advisory committee keeps very detailed minutes for its own purposes and although we are not mandated to have a report to the minister, we will have some form of report. As the minister has indicated, we are not required to reach consensus. In fact, within this time frame I think having a draft bill will be—it is a challenge from a legal point of view.

Mr Conway: I ask the minister, because it is really a policy question: I presume there will be minutes or notes of some kind that will go to file indicating the work that has been done to prepare for this very important new landmark legislation. I would just make a request here for such notes or minutes as might be helpful to an ordinary member

of the Legislature to understand the context in which this policy evolved.

Hon Mrs Grier: I am sure the briefing paper is available to members of the Legislature when the bill is tabled and will provide some of the preparatory work that has been done.

**Mr Conway:** So you are not prepared then to make available such notes or records of the committee as would be normally available?

Hon Mrs Grier: I do not know whether in fact those kinds of things are normally available. I think this committee is not taking—

Mr Cousens: They were not under the Liberals.

The Chair: Mr Cousens. Mr Cousens: I am sorry.

**Mr Conway:** My question simply is notice. You can think about if. If the answer is no, I will understand.

Hon Mrs Grier: I am still trying to untangle your original question, Mr Conway, and if the implication was that the bill that was being drafted by me—l1t me set you absolutely straight. I know my limitations, nay only too well, and drafting legislation is not one of them.

**Mr Conway:** It was not a question; it was an observation and I think you understood that.

Hon Mrs Grier: Let me just say that the bill of rights on which I based my original Bill 12 had been drafted by a many-headed monster—

Mr Conway: That is my point exactly.

Hon Mrs Grier: —and it is for that precise reason that Mr Elston's bill is not the one I am going to be setting before the Legislature in this session.

Mr Conway: It was, I think, Dr Smith's bill, if the truth were told.

Hon Mrs Grier: Oh, even more heads. Okay.

Mr Conway: Exactly, my point entirely. Anyway, just to move on, to buy medical and pathological waste, one of the things that I gained by way of observation—I thought the member for Markham was on a very interesting point, and here again I am struck by what I hear, and what I hear out there is really interesting. I understand why actually a previous government did some of what it did in closing down certain avenues and tightening up the regulations, but the stories I have heard about where one can find some of these pathological and biomedical wastes really are interesting.

Mr Cousens: There are lots in the Liberal caucus.

Mr Conway: At parking lots in hospitals. People would be interested to know that there are vehicles in parking lots at hospitals for more than a few days—

Hon Mrs Grier: Mr Conway, I think you are referring to a situation a year or a year and a half ago and I would not want anybody to feel that was certainly a common occurrence or an occurrence that I have been aware of since 1 October.

Mr Conway: My main question, however-

The Chair: Minister, please let Mr Conway place his question.

Ms Haslam: Does he have a question?

Mr Conway: —is that it seems to me I think something like about 60% of these wastes ultimately end up in Gatineau, Quebec. The practical policy under which we are operating is transfer the stuff out of Ontario to another province, and I hope and pray that option is not lost to us. Reading the Ottawa press on occasion, one gets the feeling that the Quebec government is about to move and do some things in that connection. I think it would surprise a lot of Ontarians. I know it surprised me to find out to what extent Gatineau is now being relied on as one of the very few depositories for that kind of highly—

The Chair: Sensitive material.

Mr Conway: —sensitive material.

I was just wondering what kind of progress we were making since the policy, as I understand it, is to assist hospitals with new technologies. My question in this area is almost as it is in the tire fund: Can you indicate what kind of moneys are being allocated to, say, hospitals to install as quickly as possible acceptable replacement technology and what moneys, if any, are we making available through the tire fund to municipalities which, of course, have a fair responsibility, particularly the rural countryside, for maintaining a lot of the tire depots?

Hon Mrs Grier: Certainly there has been some transfer of funds for the security and the maintenance of the tire depots, but the tire depots, primarily the large ones, are in private ownership. So our responsibility has been to try to persuade, by whatever means possible, the owners of those facilities to in fact adhere to the local fire code regulations.

I share your concern about the biomedical waste. It is certainly a concern I had when I was in opposition. I know hat there have been a number of projects and studies. In fact, I was privileged last spring to present a cheque on behalf of Mrs McLeod to a consultant in my own riding who was looking at a scheme for combining steam generation with a biomedical waste incinerator on the north shore of Lake Superior with a series of small hospitals in a cogeneration project, so that hospitals are looking at those kinds of solutions. The Ministry of Energy has funded in the past and I am sure now will be funding them.

Mr Conway: What would we do if tomorrow Gatineau were lost to us?

Hon Mrs Grier: I think we would have a very serious problem. We have not moved in any kind of a proactive or preventive way to prepare ourselves for that contingency, and it is one I am concerned about.

Mr Conway: One of the areas that fascinates me because of the politics of the environment—it is interesting what people seize upon as outward and visible signs of the problem and their desire then to move and do something about it, and that is pop cans and booze bottles. I think there has been some discussion of this earlier this afternoon, but I wanted to just for my own edification be clear. I think it was enormously popular, what your government

proposed last fall, cracking down on certain laxities of a previous administration, and I think a deadline of 1 April 1991 was set as the new day. I take it you have got some indication now, six weeks away from that point as to the capacity for compliance. Can you give me any indication of what I will find when I go out on 2 April to see how effective is the new order.

Hon Mrs Grier: I think you will find that there has been a lot more effort put into advertising the desirability of returnable bottles. A major advertising campaign was undertaken by the industry after my announcement that we were going to enforce the existing regulation. I do not know where we stand. I do not know whether somebody in the ministry can answer that question, but my sense is that the advertising campaign occurred and there may have been a flurry of greater compliance. I do not know whether we will reach that 30%, but certainly my intentions are clear.

Mr Conway: You will enforce the new-

Hon Mrs Grier: I will enforce the new regulation.

Mr Conway: I encourage you in that, by the way. My related question is that it has always struck me and I have had other people explain the problems to me, but the question of liquor bottles really does come up surprisingly at—

The Chair: With your colleagues?

Mr Conway: —prayer meetings that I attend on a regular basis. People look at the absolutely marvelous piece of glass and wonder why governments cannot do something about this? Now I gather the current Minister of Consumer and Commercial Relations, with your blessing, is doing some things in this connection, so what specifically will I notice over the next few months?

Hon Mrs Grier: As I have said earlier, we all have a responsibility to assist and to cut down, and of course the first word in the hierarchy is "reduce" so may I suggest that the first move ought to be not to purchase liquor and then we would not have bottles. That would affect the Treasurer, so do not quote me.

Mr Conway: I do not represent Walkerville, but if I did I might think about what was just said. At any rate—

Hon Mrs Grier: At any rate, when I addressed this issue with the Liquor Control Board of Ontario I learned yet another new word, "Gattable," which I find an incredible piece of jargon, but apparently the General Agreement on Tariffs and Trade comes into play when you look at what you can do with liquor bottles, because not all liquor is generated in Ontario.

That is one of the issues that the Minister of Consumer and Commercial Relations is wrestling with as he comes to grips with the possibility of returnable bottles. I think it points to the whole question of standardization and whether we in fact need the marketing techniques of fancy bottles for every brand.

The other issue the LCBO is looking at is the facilities within their particular stores for both returning and recycling the bottles, and it has a preference for recycling. There are those who feel that returnable is the way to go and trying to do an evaluation of the environmental impacts of

one over another is like how many angels on the head of a pin.

Mr Conway: But my constituents—it is surprising, as they say, the number of people who will raise that particular issue—

Hon Mrs Grier: It is very visible and symbolic.

Mr Conway: —and because it is purchased in a government store the expectation is that is an area you should be able to do something about, and quite frankly, it seems to me, knowing not a great deal about it, they seem to have a point.

Hon Mrs Grier: Absolutely.

Mr Conway: What I hope we can say to those people is that within a very few years we would be able to surely organize a system where we return at least what we buy to that store. We talked earlier about depots, but I think a lot of people find it really offensive to take a lot of this really jazzy glass and in most cases it has gone to some kind of a landfill, probably, in the past although in some places I am sure there is glass-recycling; certainly not in my area. I guess I want to be clear again. Recognizing some of the problems you have encountered in this, what two or three things should I be able to tell my constituents to look for in this area?

Hon Mrs Grier: You certainly can tell your constituents that this government is addressing the issue. Like so many other issues which we have found ourselves faced with we are coming from a standing start on trying to make some progress. I think you can tell your constituents that there will be a policy direction from this government within this year and some decisions as to whether in the short term recycling is the way to go and how we can lead towards returnables.

Mrs McLeod: Are you finished on that area? I was going to take us into another area and that was clean water, and more specifically to begin with the municipal-industrial strategy for abatement program perhaps by focusing, first of all, on what I understand to be your commitment to a target of zero discharge. I am wondering if you could comment on the compatibility of a target of zero discharge with the entire MISA program.

Hon Mrs Grier: It is certainly an issue that I have been wrestling with. Zero discharge, virtual elimination are targets from the Great Lakes Water Quality Agreement signed by both our governments and the Canada-Ontario agreement negotiated by your government. Achieving that under the present MISA program as enunciated and developed is going to be difficult, but Jim Ashman who is our director of water resources is here and I would like him perhaps to talk a bit about where we are at with MISA and the timing and the stages that are presently contemplated.

The Chair: Please introduce yourself. You have three and a half or four minutes.

**Dr** Ashman: My name is Jim Ashman. I am director of the water resources branch. I will try to sum up MISA in three and a half or four minutes.

Mrs McLeod: May I just intervene for a moment? I do not want to restrict the committee's access to information. I

have been following the MISA program myself fairly carefully since it is a local issue as well as a provincial concern and I think we have some sense of the regulatory stage and—

Hon Mrs Grier: Yes. I think the issue of resolution process was what I was going to ask Jim to talk about, which has homed in on just the issues that are contentious and that are in a way incompatible with the program as currently designed.

Mrs McLeod: Perhaps I could give one very specific question then that he could address, focus it a little more tightly, and that is, recognizing that the MISA program was based upon best available technology at the end of the pipe discharge, my understanding of was that is what the monitoring regulations and then the compliance regulations would be geared to. The zero discharge target seems somewhat incompatible with that, other than the definition of "zero discharge" which the minister was just referring to. The industry tends to become very frustrated with what it calls the disappearing zero—that is, the ability to measure increases more accurately—what we define as "zero discharge" gets farther and farther away from the existing standard.

My specific question would be, if that is a correct concern on the part of industry, and I am not sure whether it can be directed towards your staff or towards you, Minister, at what point will standards be put in place and industry reasonably expect, believe that it can have met the existing standards and not have to make significant changes for a reasonable period of time?

**Dr Ashman:** Minister, if I could try to respond to that, with respect to the effluence limits, the basic premise of the BATEA—or the best available technology economically achievable—program was that at this point in time regulations would be developed based on the best available technology and that as new technologies became available, to continue to reduce the discharge of persistent toxics, that the new technologies would be used by the industries and that the regulations would be reviewed on a five-year rotating cycle through the nine sectors. So the movement towards virtual elimination or zero discharge would be based on and driven by the availability of technologies.

The question of zero discharge—I call it the moving decimal point syndrome—is a difficult question to deal with because as we do get more and more precise in our analytical techniques, the availability of finding various things in this glass of water increases. It has been said in jest that perhaps we should stop giving money to laboratory researchers to develop new techniques, but of course that is not a solution to the problem.

1730

Mrs McLeod: But nevertheless, if we talk about fiveyear cycles of best available technology to be re-evaluated on a five-year cycle, that underscores the concerns industry will express. I do believe that industry generally wants to meet the environmental regulations, because they are concerned to be good corporate citizens as well as the fact of the law, but the financial expenditures for the environmental technology are significant. The Canadian pulp and paper producers, to take just one of the groups regulated under MISA, has increased its expenditure on the environment by something like 133% in a one-year period alone.

I think we have to come to grips with that point of time that is reasonable for industry in terms of having met the regulations and being able to feel that the technology on which it has spent large amounts of money will be considered to be sufficient for a reasonable period of time. Is that an unrealistic expectation of MISA as it is currently operating?

**Dr** Ashman: As I was indicating before, the current status of MISA is to look at a five-year review. If new technologies were available in a way that they were economically achievable, because the best available technology has attached economic achievability to it, then the process would involve industries moving to new technologies. You will appreciate that the review of technologies is being undertaken through the joint technical committee process which involves extensive input by the particular industries in question.

Mrs McLeod: We have a moment, I think.

The Chair: Two minutes, actually, according to my clock.

Mrs McLeod: I just have one other question in this area. There was a plan to establish last spring an Advisory Committee on Environmental Standards. Is that committee—

Hon Mrs Grier: Mr Bradley established that committee.

Mrs McLeod: And that committee is to continue?

Hon Mrs Grier: Oh, yes.

Mrs McLeod: And will it have any direct involvement in the MISA program?

Hon Mrs Grier: Maybe Jim can answer. My sense was that the joint technical committees and the Municipal-Industrial Strategy for Abatement Advisory Committee, all of which were put in place by Mr Bradley, were in a sense the bodies that were developing the regulations under MISA.

Dr Ashman: Yes.

Hon Mrs Grier: Maybe Jim can correct me if I am wrong.

**Dr** Ashman: There has not been at this point any intention to take the regulations and put them through the ACES process. There are a number of other environmental standards, clearly, that ACES may be dealing with.

Hon Mrs Grier: I would be interested in the concern around that, because certainly looking at MISA is something that is on my agenda, and if the members feel that the approach is inappropriate, I think it would be very helpful to have some sense of that.

Mr Conway: I think one of the things you might do at some point a little later in the spring is sit down and talk to your colleagues the Minister of Mines and the Minister of Natural Resources, because they will be dealing with people, as I say, and as my colleague the member for Fort

William I think rightly observes, most of whom most of the time would want to be good corporate citizens. I have heard them. I have heard some very good people complain bitterly to me in a previous life about the moving target and the requirement of substantial investments of money, which they are quite keen to do. They want to do so in compliance with—some of this technology I did not understand, but I certainly felt that it was a pattern of criticism. I think you might want to chat with your two colleagues particularly, because I think they will tell you that particularly in some of those northern resource communities, best available technology is zero discharge. It will keep a lot of consultants occupied for a long time.

Hon Mrs Grier: I certainly appreciate those comments because they, as I say, are an issue that we are going to be talking about. Once we can resolve some of our waste management priorities, we will move to MISA.

Mrs Marland: Can I just go back to the subject of incineration briefly? You have inherited what was St Marys Cement—I do not know the new name of it—in southeast Brampton and it went through a full environmental assessment. I think the ministry has given \$2.8 million to that incinerator; it is presently under construction. What will the ministry do now to deal with the subject of incineration in light of that project being under construction and coming on stream? Do you see yourself limiting the kinds of waste that may in fact be burned at that facility?

The other question that is parallel with that, because that is a ministry-funded project, is how much money did the Ministry of the Environment give to St Marys Cement Co for the incineration of tires, of tests to incinerate tires at St Marys Cement?

Hon Mrs Grier: Let me answer the last one first. Absolutely no money has been given to St Marys Cement for the incineration of tires. With respect to the facility in Brampton, I was a little stunned to be told by the chair of the region of Peel that I now owned an incinerator. That is not my understanding of the situation. It is an incinerator that is owned privately and was built with the support of the regional municipality of Peel. It has had all environmental approvals, including a full Environmental Assessment Act. I assume that their certificate of approval—and I see Mr McIntyre nodding agreement—contains some very strict rules, guidelines and emission limits. Certainly when and if that incinerator starts operating, it will be my intention to make sure it lives up to every single one of those commitments.

Mrs Marland: So what you are saying, Minister, is that you are cut off at the knees because that incinerator was approved before your mandate, and the \$2.8 million that the Ministry of the Environment gave—pardon me, the Ministry of Energy gave them the money I think—is something that is now beyond your control, even though you are opposed to incineration of garbage.

Hon Mrs Grier: At this point, that is my understanding of the legal situation, but if anybody wants to correct that, I am sure they will come to the table.

Mrs Marland: And St Marys Cement Co has never received any money or encouragement from the Ministry of the Environment?

Hon Mrs Grier: Absolutely not.

Mrs Marland: But perhaps the Ministry of Energy, and we will pursue that.

Hon Mrs Grier: No, I do not think any funding has been given to St Marys Cement. They certainly have been seeking approval for a tire burn. I have asked them to hold off on doing that until we come out with a comprehensive policy on the disposal of waste tires. I am sure in the questions that were discussed earlier-I had to leave the room for a few minutes-you heard that we have had a consultant's report looking at various options for the disposal of waste tires and we are sponsoring in early March a symposium in which all elements of the industry, the scientific community, the residential community that is concerned about this issue and the people who have great entrepreneurial ideas of what we can do with tires are coming together to share their ideas and I hope give me their best advice as to what I do with this other little aspect of my inheritance that I have discovered.

The Chair: I just want to indicate to the minister that the matter was raised during the Ministry of Energy estimates, and the context of St Marys was as a fuel enhancer and not as a disposable environmental issue. It was that the tires being burned at St Marys were a fuel enhancer and its interest was from Energy's point of view. That was only a matter that was discussed in that base.

Hon Mrs Grier: It was a substitute of one fuel for another.

The Chair: That is correct. Mr Cousens.

Mr Cousens: I want to get into MISA in a moment. I just want to finish off on tires, where I was when we ran out of time. I am interested in the number of different ventures that are being financed by the ministry who have businesses that are in the process of recycling tires and what they are trying to do. It is funny, but coincidentally with that is that today in my office I had a company come and visit me that has applied to the ministry for assistance and support in a project that would recycle tires. What I would like to do is just table this with the deputy for possible follow-through, that is, Triple T Industries, and it is a sound-barrier manufacturing process.

There is the fact that it is all so complicated. I think that we really are dealing in an age in which it is next to impossible for small companies to try to deal with the issues, the cost in the first place. You are dealing with the Ministry of Transportation which has guidelines that may not be totally relevant to the situation, and you are dealing with business people who are really trying to make progress, have an idea.

All I can do is say to the ministry, in the form of a question, is there a time frame in which you try to deal with different companies that are coming forward with ideas and methods through which your ministry is able to help and assist entrepreneurs? I know we have a funding and there are ways in which that \$45 million is going into the pot somewhere. But have you a set of criteria from

within the ministry to work with business? Because I have to say that you cannot do it alone; you have got to involve industry and business.

Yet the feeling out there—not with this example, but others generally—is that there is not the push and the sense of urgency to really come forward with some of those solutions. I guess to me it is just a matter of perception at this point, and anything you can do to show and attempt to expedite relationships that can lead to solutions I think would be very, very—

1740

**Hon Mrs Grier:** The deputy would like to make some comments in response to that.

Mr Posen: I think there are a number of ways of responding. One of course is the multiple demands on the ministry which make it difficult to deal with all of these things. Two is that the proposals do come to us in various stages or states of development. People come in the door with an idea on a piece of paper. They have no business plan, they have no marketing plan, they have no real sense of what they want to do. But they do have an idea and they basically want the ministry to act as the business consultant for them and sit down with them and work out the idea. It does take time to deal with all those people and it steals the time from other people who come in with proposals.

Mr Cousens: Well, it does not really matter. I mean—

Mr Posen: I do not know this particular one, one way or another, but there are a whole series of questions that arise in dealing with the Ministry of Transportation as to what the standards are. There are a number of others which have required other ministries to be involved. We have gone back to people for information which they find difficult to get to us. So there is a problem at the ministry and in terms of number of staff available to deal with them and at the other end in being able to I think help us. We have tried to meet both sets of demands as best we can.

Mr Cousens: Having said it and having heard your answer, and I think you know that I am coming from a responsible bid, a responsible attempt to get into it, there has really got to be a sense of urgency within the government as a whole to work with business where it is possible.

Can I go back to the MISA questions? Could I just find out from the minister—there were some very strong feelings of anger coming through when I was recently at the Rural Ontario Municipal Association. An awful lot of municipalities were concerned with the way MISA guidelines were being implemented and the problems it is causing them. I am sure you are hearing certain feedback, that people are talking about the aggressive way in which MISA guidelines are being pushed without necessarily the educational component up front and some kind of working through. I just table that as a concern and I do not know whether you have that as a concern at this time.

Hon Mrs Grier: I have certainly not heard that precise concern, but I certainly have heard from a lot of municipalities their concern about the way MISA was designed as it relates to the municipal sector. Frankly the municipal sector part of MISA has not proceeded very far,

largely because of those concerns and because it was a bit of an afterthought to the nine industrial sectors where the monitoring has proceeded. So if people are complaining about aggressive pushing of MISA guidelines, I do not know what or who is pushing—

Mr Cousens: You are not hearing that.

Hon Mrs Grier: —because I wish we could accelerate MISA. We have not been able to do that as yet and we felt it was prudent to wait until we had in fact received the monitoring for all of the nine sectors and then see what kind of a regulation that might be generic could be developed.

On the municipal side-

Mr Cousens: Just stay on that one. When do you see the first abatement regulations being implemented then?

Hon Mrs Grier: For MISA?

Mr Cousens: Yes.

Hon Mrs Grier: Under the current timetable set in place by my predecessor it was well into 1992. I do not think that is good enough and I have asked our ministry staff to see how we can expedite that. But I am not in a position to give you a date at this point.

On the municipal sector, the design of the program is such that again it is an end-of-the-pipe monitoring, and what are we going to do, which raises in the minds of the municipalities the spectre of having to rebuild entirely all of their sewage treatment plants and anticipate a whole cocktail of chemicals coming down the pipe that they have to prepare for and are not quite sure what is there. I share their concern about the way in which the municipal sector part of MISA has been designed, and that is part of the review that I have asked the ministry to undertake.

Mr Cousens: Could you point to me in the estimates briefing what the total expenditures that are being invested into the MISA program? It is hard to just read that right now.

Hon Mrs Grier: I think Mr Castel can. I seem to remember when I asked that question last year, it was hard to get an answer, but maybe I can get a better one from—

Mr Cousens: I am sure it is an improvement from last year.

**Hon Mrs Grier:** Oh, no. Look, I take no responsibility for the preparation of these estimates, so I am—

The Chair: Mr Castel, please proceed.

Mr Castel: The budget for the municipal-industrial strategy for abatement for this year is \$22 million.

**Mr Cousens:** Can you give me a breakdown on that? **Mr Castel:** I could, yes.

Mr Cousens: Just while you are digging that out, maybe I can ask the minister—ground water supply and quality assessment. Is there any work being done on that, any progress or any intentions that you have on that whole subject of ground water quality? I think there is a major set of questions.

Hon Mrs Grier: Yes, there is a very extensive ground water monitoring program that is under way, and I think that has to be completed so that we can have some kind of

an assessment of what the situation is, because large segments of the province, as you well know, take their water from ground water.

Mr Cousens: Is this being done by your ministry or outside consultants? Can you give us any progress on what is happening?

Hon Mrs Grier: I asked Mr Ashman to talk about the details. Some of it is being done in consultation with municipalities. Regional municipalities are working on it, but we are trying to get a handle on who is doing what where.

Mr Cousens: And you have an interim report on it as well to give us a sense of what is happening?

Hon Mrs Grier: I think we are a long way from that, but perhaps Mr Ashman can comment.

Dr Ashman: There are two comments that I make, Minister. The first one deals with the drinking water surveillance program, which is a program in the ministry which takes the water from both surface water facilities, facilities which are supplied from surface water, and from ground water, and does a fairly extensive monitoring for some 160 to 180 parameters. That water is taken on a monthly basis, and at the current time, I think somewhere around 80 municipalities representing approximately 60% of the population are involved with the DWSP program.

Mr Cousens: What do you call that program again?

Dr Ashman: DWSP, drinking water surveillance program. The other comment that I make is that the ministry is involved in preparing a ground water management strategy, which is an attempt to take a look at our existing programs and to look at any potential gaps to try to see where it is that we might go. We are receiving requests from regional municipalities like Kitchener-Waterloo to continue and enhance our efforts in that area.

Hon Mrs Grier: Perhaps I could just expand. The goals of the program are—

Mr Cousens: No, I am aware of the goals. I just want to know what progress there is to report. I do not need to hear the goals. When do you expect that we can hear anything more specific?

Dr Ashman: Well, I am not sure at this point whether I will be able to go forward to senior management in the ministry with any sort of formal proposals. It is difficult for me to say at this point.

Hon Mrs Grier: This is, again, a fairly new initiative, which only started last year.

Mr Cousens: I think it is a very important initiative—

Hon Mrs Grier: I do too.

Mr Cousens: —and I strongly support it. I think that it has an awful lot of-you are not only talking quality, you are talking the supply of fresh water, and we have really got to know what our resources are in this area, so I support it. Thank you very much. I appreciate it.

Dr Ashman: Any time.

Mr Cousens: Maybe we have got the MISA finally. Still looking?

The Chair: Staff seems to still be looking for it, so proceed with another question.

Mr Cousens: Is your ministry involved in any way with the zebra mussel problem in the province of Ontario, and if so, to what extent?

Hon Mrs Grier: No, I-

Interjection.

Hon Mrs Grier: Well, we are. The Ministry of Natural Resources is the lead ministry, but we have certainly been involved, and there is some information that I can share with you. I do not know who our lead person is on zebra mussels. Oh, it is Jim again.

Mr Cousens: Do I understand you are not taking a lead role in any way at this point?

Hon Mrs Grier: We have been very much involved, but as spokesman, it has essentially been my colleague the Minister of Natural Resources. Jim, I am sure, can tell you what role he has played.

**Dr Ashman:** The only thing that I can add is that while Natural Resources is taking the lead, we are obviously concerned about the impact that zebra mussels have with respect to water intake in the Great Lakes and so on. Staff in the Great Lakes section have been working carefully with the Ministry of Natural Resources to ensure that the water supplies are still available to the population. I cannot give you any more detail than that, although I could certainly have it for tomorrow if you so desire.

Mr Cousens: I would appreciate further background, what activities you are doing and anything like that.

Hon Mrs Grier: I think there was an extensive review of the zebra mussel situation before the resources development committee. All that is to be known about zebra mussels is in Hansard from last month.

Mr Conway: I read in the newspaper the other day somewhere that apparently it is suggested we bomb them.

The Chair: Thank you for that contribution, Mr Conway. I think the staff member is ready with the MISA numbers.

Mr Castel: The breakdown of the MISA budget: We have \$12.2 million in the water resources activity, \$600,000 in the hazardous contaminants branch, \$6.5 million in divisional operations-

**Mr Cousens:** Is that mostly regulatory and review?

Mr Castel: The regions review the monitoring data. In the administrative area, we have \$2.6 million for the development of systems as well as for economic studies, and this comes to exactly \$21.9 million.

Mr Cousens: Because I do not have the numbers, what was spent on it for last fiscal year and this fiscal year?

Mr Castel: I will have to go back to check on it. Yes. there has been a small increase this year over last year.

Mr Cousens: Not a significant increase.

Mr Castel: No.

Mr Cousens: And what do you see it coming in the next year? Is it going to increase?

Mr Castel: We are examining the requirements for next year, particularly regarding the municipal sector.

**Mr Cousens:** And that is the part that is going to increase significantly, I would think.

Mr Castel: It should increase, yes.

Hon Mrs Grier: It is a very resource-intensive program.

Mr Cousens: Why?

Hon Mrs Grier: Because it involves an awful lot of staff and an awful lot of money to do it in the technological way in which it has been designed.

Mr Cousens: The last speaker back talked about the rolling decimal point, and that really is the issue that touches so many business people and others with the changing standards that they want. How do you go about—the standards are in place now for MISA—

Hon Mrs Grier: No, no. Not yet.

**Mr Cousens:** —so we were asking the question about the regulations that are coming in effect.

**Hon Mrs Grier:** What is in place are the monitoring regulations. The control regulations are not in place.

Mr Cousens: Well, how much notice will you be giving business people out there of those regulations and control factors? What kind of advance notice are you going to give? What kind of window?

Hon Mrs Grier: Let me make it very clear that they were advised in 1986 by the previous government that a program was going to be put in place to meet the international agreements under the Great Lakes water quality agreement and the agreement to get to virtual elimination and zero discharge. So every industry in this province has had at this point five years of taking into account in their planning decisions the investments required to receive zero discharge. I think they all were put well on notice by the previous government that this was what is happening. It is very heartening to find that many of them, in their planning and in their looking at their production processes, are in fact cognizant of that.

I think that some progress has been made, and anybody who wants to get to zero—whatever zero is—discharge of a chemical finds a way of not putting that chemical into the production process in the first place. That is the safest and easiest way of eliminating it, and many of them in the preceding years, I think, are planning in that way.

The Chair: Thank you, Minister. It is six minutes before the hour of 6, and I would, with the committee's indulgence, like to make up the 10 minutes we lost for our late start, which would give the governing party about 16 minutes for questioning, if that is in agreement with everyone.

Second, the minister has an extremely tight schedule, and with the indulgence of the committee, if she feels she must leave, we would understand that. With that understanding, Ms Haslam and then I have Mr Perruzza.

Hon Mrs Grier: Thank you, Mr Chair.

Ms Haslam: I want to go back to something that was brought up earlier, and that is about the permanent household hazardous waste depot. I have some specific questions.

tions about that. Number one, I am interested in the funding. You said that you have 12 municipalities—

Hon Mrs Grier: Could I ask Mr Wong to come forward, because I am sure he is the one who is going to have to answer and he can hear better from there.

The Chair: Hardy, good to see you again.

Ms Haslam: There were 12 municipalities, and you said funding was possible to set it up at 50% for up to \$15,000 for one event. I would like a clarification on that. I would also like to know the criteria for someone setting up a permanent hazardous waste depot. I would like to know the funding possible to the municipalities for setting up a hazardous waste depot. I would like to know the cost of one-day operation versus the cost of operation over a long term.

Mr Wong: I think I did not make it very clear when I said 50% up to \$15,000. These are for the current operating program which is setting up a one-shot deal, once or twice a year household hazardous waste days.

Ms Haslam: Yes.

**Mr Wong:** The event lasts for one day.

Ms Haslam: That was my understanding.

Mr Wong: Right.

Ms Haslam: And that is a different type of funding versus a permanent—

Mr Wong: That is right. The permanent—

Ms Haslam: That is what I need information on.

Mr Wong: It is different. Up to 50% and \$15,000 does not apply to the permanent depot. The permanent depot establishment is funded under the ministry's financial assistance program. Under that program, according to the municipal size, there is a sliding-scale funding program and I believe it is up to 60% for the capital cost of that facility.

Now the operating cost, based on limited example results, normally it is a range about \$30,000 to \$35,000 for a one-day event for a medium-sized municipality. To set up a depot, the permanent capital cost for that kind of facility again is very much wide-ranging, based on the size of the municipalities and the facilities they already have, because normally those permanent depots are set up at the public works yard. Security is there. The fence is there. The services or utilities are all there. I cannot give you an average cost. They range widely among the 12 municipalities.

Ms Haslam: When you say they are set up at the public works yard, if the services of waste pickup and garbage pickup are contracted out, then it would then not go into the municipal yard but into a private company facility.

Mr Wong: The permanent depot, do you mean?

Ms Haslam: Yes.

Mr Wong: The permanent depot is owned by the municipalities.

Ms Haslam: Yes, but it depends on whether it is already in the municipal yard?

**Mr Wong:** That is right. Primarily there are two types of likely locations. One is the existing landfill site.

Ms Haslam: Yes.

Mr Wong: The closed-up portion of the landfill site. Okay? The beauty is away from individuals and very safe and things like that. The difficulties of service may not be there, because once you are permanent you need ongoing services for that location: heat, electricity and so on and so forth. The other likely candidate, as I say, is a public service yard. Now while they are owned by municipalities, they are often operated by contract to the private sector.

Ms Haslam: Okay. So you are saying \$30,000 to \$35,000 in the cost of operation over a long term. You do not have any figures because it depends on where the location is.

Mr Wong: That is right.

Ms Haslam: Not even a ballpark figure?

Mr Wong: The reason I cannot give you an average is it ranges as low as \$400 every Saturday morning to very high costs when they just started, when they do not know what to do and things like that. There is one municipality that has been operating permanent household for the last three and a half years and it finds overall it is cheaper than running one event in a whole year.

Ms Haslam: I would like to ask a particular question. when you talked about tires and tire incineration and we go back to the St Marys tire incineration, you are asking—you mentioned, Minister, about a symposium in March, and that is the spring, and it is my understanding that the St Marys Cement Co burning certificate has been put off until the spring. Is that going to be after the symposium?

Hon Mrs Grier: Yes. I think we have a consultant's report that was done by my predecessor which looks at a number of options for making greater inroads into the backlog of tires than some of the schemes that have come forward as initiatives, and that is one of the issues for discussion at this symposium. We hope to have a policy position prepared after we have had the benefit of that consultation.

Ms Haslam: We talk about research. When I looked into this it seemed to me that the research was basically American research. Is that correct?

1800

Hon Mrs Grier: I do not know who is familiar with the tire study, but it was looking at the Ontario situation and the possibility of markets in some of the industries that were springing up to do crumbing and shredding, but Hardy can perhaps expand on that.

Mr Wong: It is knowledge with respect to St Marys Cement?

Hon Mrs Grier: St Marys.

Mr Wong: No, it is not a matter of technology. The technology is very similar. Of course every rotary kiln for cement operation is different, but on the examples of typical measurements, it is primarily from Europe and the United States. The air emissions as a result of burning tires in cement kilns are primarily from the United States and Europe, not the technology itself.

Ms Haslam: No, I am not talking about technology. I am saying that the research we use is not Canadian because there has not been anything done in Canada. Is that correct?

Mr Wong: What do you mean, research?

Ms Haslam: I mean that they would like to do a test burn.

Mr Wong: That is right, to find out what the emission is.

**Ms Haslam:** That is correct, and you are holding off that certificate, but most of the research data that they use in order to talk about a test burn is American?

Hon Mrs Grier: That was their argument for the test burn. As you know, I am not very much in favour of incineration. We are hoping that we can find ways of dealing with the tire problem that will involve—I do not think we can re-use tires as tires, but certainly we are hoping to find other ways of re-using them and that is the kind of policy direction I hope we can come up with.

Ms Haslam: And that policy direction will be in the spring some time?

Hon Mrs Grier: April, May, mid-May.

Ms Haslam: Thank you.

Mr Perruzza: First of all, I would like to preamble my question by congratulating the minister in having taken on a monumental task. She has quite literally taken the bull by the horns and has a series of accomplishments below her belt to date in dealing with the environment and with some very sensitive environmental issues. I think that where former ministers of the environment have simply blown carbon dioxide in the air, this minister has taken on this task.

The Chair: Mr. Perruzza, you are blowing a lot of unnecessary smoke at the moment, so if you would please get to the point.

**Mr Perruzza:** I do believe I have six minutes left to go in my question, do I not, Mr Chair?

The Chair: You have seven minutes, and please stay within the standing order.

Mr Perruzza: So you will allow me the courtesy to continue?

**The Chair:** For the third time, Mr Perruzza, you have the floor.

Mr Perruzza: I would like to ask the minister a question, and it is really a general question and I am going to veer off the environmental aspect of some of the discussion that has gone on today. I would like to ask her a question, as part of her portfolio deals with the GTA. I would like to have some insights into what her feelings are on that. To date really what we have is a number of towns and cities and regional municipalities which are essentially all developing and planning in isolation from each other.

Mrs Marland: I have a point of order, Mr Chair.

The Chair: Ms Marland has a point of order.

Mrs Marland: I was expecting that you would intervene and help Mr Perruzza, because although this minister does in fact have the GTA as part of her responsibility, the

only ministry that is before this committee is the Ministry of the Environment.

The Chair: That point of order is not in order. In the opinion of the Chair, both the linkages to environment and the GTA were referenced by both critics of the opposition in their preamble, so I consider Mr Perruzza in order, unless he frames the question solely on the GTA, but I was waiting until I heard from him the nature of his question. If it has anything at all to do with garbage, it is perfectly in order. Please proceed, Mr Perruzza.

Mr Perruzza: Well, Mr Chairman, it does. I respect Mrs Marland's interjection, but if she had heard the entire question she would clearly have seen that it relates to the environment and some otherwise very sensitive environmental issues. Again, I will ask the question on what the minister's views are in relation to the GTA and to having a number of towns and municipalities all planning and developing in isolation, and the second part of the question, which relates directly to the environment is that I read somewhere, and I am pleased to hear it, that the minister is looking at the greening of the Planning Act. I believe those were the words she used in a quote. I would like to hear from her on what that means exactly, and I would like to develop that discussion after I hear the answer.

Hon Mrs Grier: This is something that is being looked at in conjunction with the Ministry of Municipal Affairs. As I said earlier I think that it is particularly appropriate within the greater Toronto area to look at the reports that exist and that were done for the previous government by Commissioner David Crombie or the Kanter report on the green lands and Oak Ridges moraine as to how we can move from the kind of reactive development control nature of planning that has occurred in the past, to a more proactive, preventive planning that anticipates problems that can occur because of cumulative approvals for development and looks at areas that are worthy of particular protection. So in that way I find it difficult to distinguish between my role as minister of the GTA and Minister of the Environment because the two are very intertwined.

With respect to how we actually accomplish the greening of the Planning Act, I think there is a fair amount of power within the existing Planning Act for the provincial government to exercise some control on the kind of development that occurs to make sure that development occurs in a green manner, ie, taking into account the preservation of natural and particular areas and also looking at some of the cumulative effects of development decisions. So we will certainly be moving to do that as well as examining

the specific provisions of the Planning Act to see if there are ways in which the requirement that we protect the environment and proceed in a manner that leaves resources and open space for future generations can proceed both in the private and the public sector.

Mr Perruzza: You mentioned the greening of the Planning Act and again I would like to tie that back into a series of towns and cities, all developing in isolation from each other. I guess my question relates directly to carbon emissions and to vehicle use and to car use.

Hon Mrs Grier: I see what you are getting at.

Mr Perruzza: Do you foresee some organizing body where we are going to develop the infrastructure that is going to cause a substantial reduction in automobile use and vehicular traffic?

Hon Mrs Grier: I think that is a question that is being approached from a number of different aspects, from my own ministry with respect to automobile emissions, from the Minister of Energy in looking at global warming and in my role as Minister responsible for the GTA from a planning perspective. As we look at the urban structure of the GTA and the reports that have been prepared and are still being looked at, how we develop not just a whole series of isolated communities, but communities that are linked by transit where growth is directed to existing built-up areas as opposed to continuing to eat up farm land, and where we build not just expressways but transit lines that will take people, not just to downtown Toronto but from centre to centre so that people and jobs can be linked and so that people perhaps can both live and work in the same community, which is my ideal of a good community—I see the gavel being raised.

Mr Perruzza: I would like to thank the minister. I think she has cleared up some very substantial points, certainly in my mind in terms of where she plans to take the ministry in terms of infrastructure and how she plans to tie the Ministry of the Environment's obligations and work, essentially, and tie them with other ministries, and I am glad to hear that.

The Chair: Thank you, Mr Perruzza. We have exactly two and one half hours remaining to complete the estimates. Therefore I would like to remind committee members that we will likely start promptly tomorrow, so this meeting of the standing committee on estimates stands adjourned until 10 am tomorrow morning in room 228.

The committee adjourned at 1810.

#### CONTENTS

#### Monday 18 February 1991

Ministry of the Environment			٠			 								 						. E	E-16
Adjournment						 							٠	 ,	 					. F	E-20

#### STANDING COMMITTEE ON ESTIMATES

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## Legislative Assembly of Ontario

First Session, 35th Parliament

# Official Report of Debates (Hansard)

Tuesday 19 February 1991

### Standing committee on estimates

Ministry of the Environment
Office for Senior Citizens' Affairs

## Assemblée législative de l'Ontario

Première session, 35° législature

# Journal des débats (Hansard)

Le mardi 19 février 1991

### Comité permanent des budgets des dépenses

Ministère de l'Environnement Office des personnes âgées

Chair: Cameron Jackson Clerk: Franco Carrozza Président : Cameron Jackson Greffier : Franco Carrozza





#### **Table of Contents**

Table of Contents for proceedings reported in this issue appears at the back, together with a list of committee members and other members taking part.

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#### LEGISLATIVE ASSEMBLY OF ONTARIO

#### STANDING COMMITTEE ON ESTIMATES

#### **Tuesday 19 February 1991**

The committee met at 1007 in room 228.

#### MINISTRY OF THE ENVIRONMENT

The Chair: I call to order the standing committee on estimates. We have two and a half hours remaining to be completed this morning. When we last were together, the government party had about five minutes left in their questioning round.

I would just like to indicate that there has been an informal agreement to proceed with a 40-minute time slot starting with the Conservatives, then the Liberals, then the government. If there are no objections to that arrangement, we will proceed on that basis. Seeing none, thank you. Ms Haslam.

Ms Haslam: I would like clarification on that. What informal agreement was there?

Mr Cousens: I discussed it with Sean Conway. To me, the 15 minutes is just too broken up for us, and the Liberals and the Conservatives are prepared to go for 40-minute slots. You can do what you want to in that 40 minutes, and then at the end it will be 12 noon and we can close down.

**Mr Hansen:** I have one question. Is Dr Chant appearing this morning?

Mr Posen: No. There was no request yesterday.

**The Chair:** There was a request to make an inquiry. Did you make an inquiry?

**Mr Posen:** Yes, but he is unavailable this morning. We have certainly asked staff to be here.

**Ms Haslam:** I would prefer the procedure that we now go through, because I like to come up with some supplementary questions and can follow through on some ideas from both the third party and from the opposition.

The Chair: Your concerns are noted but I have two-party consensus at this point, so I would like to proceed, if I could recognize you, Ms Haslam, to begin questioning.

Ms Haslam: I want to go back, if possible, to the information that we were given regarding the setting up of waste disposal units in municipalities. I have a concern and I have an interest in this particular area. I am not sure where we found it in the estimates, but I would like some figures again on the waste disposal departments and how the municipalities can set them up.

I have a number of constituents who are very interested. They have written to me to ask what efforts are being made to develop permanent solutions to dispose of these things without damage to our land and our water. I have a newspaper article that is indicating that in Usborne township and Blanshard township people are coming a day at a time and there were so many that they had to be turned away.

I wanted to know whether there would be some increase in this area so that municipalities could have a better chance of setting up some of these disposal units. Is that the direction? I would like to see if there is going to be a direction towards some additional funding in this area. Is there going to be additional help for municipalities in this area? What do you see as being available so that people can actually set these things up?

Mr Posen: We are talking about household hazardous waste, and Mr Wong explained yesterday what the grant program was in the ministry. We certainly had some discussions and are doing some work internally as to what is the most cost-effective and environmentally efficient way of dealing with those issues. Gerry, is Hardy here this morning?

Mr Ronan: No, Hardy is not back.

The Chair: Please come forward to the microphone so the Hansard can record all your comments.

Mr Ronan: Gerry Ronan, environmental services division. Hardy Wong, the director of our waste management branch, received that question yesterday and, as he indicated in his response, he is trying to dig up all the relevant information. He detailed the whole range of approaches from a single day, from half days, and the effort has been to tailor it to the size of the community and the infrastructure in the community, and he indicated that there is a range of funding available.

I think his commitment is to provide you with all the information you require in terms of your community and whether, if there is a specific request or concern with the size and the advice and the technical infrastructure, you had a staff available who would try to tailor the proposed approach to the infrastructure resource. By that I mean whether you have a local public works yard, municipal yard, whether it is a site that you have to acquire, so it could be a range of costs, as he indicated, from \$100 to \$15,000.

The intent is to provide that to you, through the committee Chair, as soon as possible. I expect that within a day or two we will have that information, and then there will be a further follow-up to explore individually with you your concerns about your local community to try to tailor the approach to fit the need that has been defined.

**Ms Haslam:** What I am asking, though, is when you are looking towards the future, can I see an increase in this particular area?

**Mr** Castel: André Castel, corporate resources division. I think the member has asked for three different programs that we have.

First, we have a financial assistance program which provides capital grants to municipalities for new waste sites. The budget for this particular item for 1990-91 is \$9

million, and this is an increase of \$1 million over the previous year.

We also have another program that I believe you are asking about, which is the waste management improvement program. These are grants to municipalities to improve existing waste sites with environmental problems. The budget for this particular item of the budget is \$3.25 million, which is a very small increase over last year of approximately \$100,000.

Then there is the hazardous waste collection program, and this has a budget of \$200,000 a year. This program is again to provide grants to municipalities to collect hazardous waste like the toxic taxi that was indicated yesterday.

Ms Haslam: Two hundred thousand dollars a year in that particular thing, and that covers all the municipalities?

Mr Castel: It covers a number of municipalities that have taken advantage of this program. We have not been spending the \$200,000 actually, but it covers a number of municipalities that have taken advantage. If the demand exceeds the amount of funding that is available, then we can always make adjustments because there is some flexibility between these various components of the budget.

Ms Haslam: Okay, I will—you go ahead.

Mr Hansen: Could I say on that I think-

**The Chair:** Is it a supplementary?

Mr Hansen: Yes, it is actually on the same point.

The Chair: Go through the Chair, because I wish to recognize Mr O'Connor first for a question.

Mr Hansen: On that \$15,000, I have not got the figures in front of me but I think it cost St Catharines \$60,000 on their collection. Now what happens if there is money left in that fund? Could it be possibly more than \$15,000 that municipalities—

Mr Castel: I will give you the criteria.

The Chair: I think in fairness, Mr Castel, the question is, if there is money left in the fund, can it be transferred, as opposed to the criteria?

**Mr** Castel: I thought the question was if you could provide more than \$15,000.

**The Chair:** Yes, and if you did not spend the whole fund, if it could be transferred. That is what I understood the two aspects of the question to be.

Mr Castel: The maximum for any one project is \$15,000.

Mr O'Connor: The question I have is something that has been raised in my constituency—it is a concern that I think goes back actually to the past administration, the previous government—that is, a backlog as far as new subdivisions and hydrogeology reports and stuff. This here delay that small builders and contractors are facing, of course, now puts them under an added financial strain because of the GST that is placed upon a lot of services that they provide and the goods that they buy. Is there any way that we can speed up this process and still keep within the parameters of making sure that the approvals are environmentally correct?

Mr Posen: This has been an ongoing challenge to us over the last few years. I think the facts of the situation are that the number of demands on our approvals branch, both centrally and in the regions, has continued to grow faster than we can provide the personnel in either of those units. That has been a difficulty we have been addressing over the last couple of years by trying to strengthen the approvals branch to speed up the pace of approvals. That is one set of problems.

The other set of problems is simply that we are having great difficulty competing in the marketplace for hydrogeologists, who are in scarce supply generally. The private consultants are outbidding us for hydrogeologists and, in effect, as we look around the consulting community, we can almost point out the number of people who have left the ministry and are now working in the private sector. We have been unable to resolve that problem, and that has certainly slowed things down. The hydrogeologists, I should note, are in demand at Environmental Assessment Board hearings, at OMB hearings, and often are sitting there waiting to give their evidence and have to be in attendance and therefore are not available to do the kind of report review that developers and municipalities would like to see them do. Those are the two sets of demands on us.

A couple of thoughts: One is, and this I guess is a kind of ironic comment, in a sense we have not seen the momentum slow down yet as a result of the recession, but it will in terms of the demand and that will allow us to catch up. Obviously that is a cyclical solution, not a structural solution to the problem. We have been talking to Management Board about salary levels to see if we can compete and treat them as specialists, and we may be able to move a little better there.

We have been considering internally by what means we can delegate to municipalities some of the approval functions for certain standard functions where they would not be in a conflict situation in providing that kind of approval. If we can do that, that may take some of the pressure off ourselves. Obviously municipalities would be only interested in doing that if there was some kind of financial incentive which meant that they found themselves at least no worse off for taking on that function.

**Mr O'Connor:** Do you think they would have capabilities of actually doing that then? Is your ministry going to come up with the ultimate approval, or are you saying to pass that on to the municipality to have that?

Mr Posen: We have already delegated certain functions to municipalities and there are others that could be delegated. It certainly has worked with the larger municipalities that have planning and engineering departments where we know they have the capability to provide that kind of overview and approval. Erv, do you want to comment any further?

Mr McIntyre: Erv McIntyre, approvals and engineering division. What the deputy has been speaking of is we have been looking at the aspects of the items that we could delegate that the municipality is probably closer to, where they have the technical capability to do the work; for instance, if you are looking at a subdivision, at whether or

not there is enough ground water there to satisfy the needs of the subdivision type of thing.

This tends to be a very local thing, and if the municipality has within its engineering department a hydrogeologist who is looking after the monitoring of wells from the landfill site or something, there is no particular reason why that person could not be also doing the review of the hydrogeology and the hydrology of the available water resources in the area, to be able to determine, in fact again hypothetically, that a development could occur without there being any interference to the other people in the area and without depleting the resource that is in the area. That would greatly simplify the activity that is going on. The deputy has spoken of the fact that municipalities are loath to take on these activities where they do not have a manner of reimbursement, and we are trying to figure out how we could do that.

Mr O'Connor: Is there any way of having a check done, when you do pass responsibilities on to a municipality, to ensure that it is being done? What is the possibility of private consultants moving in that field and having the municipality react to the consultants?

Mr McIntyre: Checks, of course, could be set up on quite a random basis. You could say one of every three, I will do or one of every 10, I will do. I will just have one of our hydrogeologists look at every 10th one to see whether we would agree with the conclusion that was reached by the municipality. That is just a random check basis. It works everywhere as a reasonably effective way. Auditors operate in this fashion.

There is no reason not to use the private sector also, other than the fact of the money involved. I think we are all aware that private sectors carry a lot of fees with them, which makes it more attractive where you have a number of these to have a staff member doing the work.

The Chair: That is quite a bureaucratic opinion, is it not? I have Mr Lessard as well, unless you have much more.

Mr O'Connor: Just very briefly, is there any way of checking the final outcome that a consultant would maybe put forward to make sure that that is going to be okay?

Mr McIntyre: Again, on a random basis you could do that. We find that the professions and the business, of course, are trying to protect their reputations because that is how they continue in business. Other than an outright error, which any human will make from time to time, I do not think there is likely to be much slanting of these activities, if that is what you are suggesting.

**Mr O'Connor:** If their approvals still come back then to the ministry.

Mr McIntyre: Sure.

Hon Mrs Grier: Can I just intervene briefly, Mr Chair? First of all, let me apologize for being late. I am sorry. I was at an event that was a partnership between four levels of government, and the speeches were all longer than anybody had told me they might be.

I want to make a claim that when we talk about working something out with the municipalities, it is not just another function that we are seeing devolving to municipalities and their picking up the costs. It is looking at how we can in fact both do this effectively and make sure that the environment is protected and the right decisions are reached, and also cutting down on duplication of review, which is part of the expediting of the approvals process I was talking about yesterday.

We often get a proponent or a municipality saying: "Look, we have been all through this. We're satisfied that there is not a problem." Then we are sort of duplicating some of that work. I do not want to be clear-cut and hard and fast at this point, because I certainly have to be assured that there is not any lessening of environmental standards as we begin to look at more creative ways of doing things and involving our partners at the municipal level.

Mr Lessard: My question relates to an item that is on page 42, environmental services and environmental research, and has to do with the environmental technology fund. I have not heard any discussion of that fund so far during this hearing. It indicates that the budget would be increased from \$2 million to \$8 million, which is a pretty substantial increase, and obviously reflects a dramatic change in philosophy of the previous minister. I am wondering what that fund was going to or is going to be used for and whether you, as a minister, support those initiatives as well.

**Hon Mrs Grier:** I do, but let André explain some of the details of the funding and maybe I can comment on our views of it.

Mr Castel: The environmental technology fund is a \$30-million fund that was supposed to be spent over a period of five years. Let me explain, if I may, what led to the establishment of the fund.

We did an environmental study in the ministry on the pollution abatement industry in Ontario and we discovered that it is a very vibrant industry. It does business in excess of \$2 billion a year and employs 28,000 people, which is more than the clothing industry, as an example, employs. It is a vibrant industry, but very few exports were being done, so this fund was established to look at those industries and encourage them to export and to see what pollution abatement equipment is necessary for Ontario, for Canada, and for export, because some of the pollution abatement equipment, for example, being used in Ontario is imported from the United States. So this fund was to encourage industry, to participate with industry to develop the technologies that are essential for us, but also to encourage exports, because there are tremendous possibilities in this area for exports.

It was, I believe, established a year ago, and we have been drawing on the \$30 million as the need arises. We now have a very large number of applications being reviewed by the ministry. We also have an interministerial committee that decides on the funding and on the merit of each application.

Hon Mrs Grier: Let me just expand on that. I think it is a very worthwhile program. For example, the kinds of programs that have been put in place such as MISA require technological innovation and development of

new techniques, so the fund is designed to some degree to stimulate and spur that activity. I think it has also enormous opportunities for, as Andrè has said, developing an export market and replacing some of the lost industrial sectors in Ontario's economy with a pollution abatement sector.

Finally, one of the things that has been spurred by this has been a technology transfer conference where people—industry and the scientists and the researchers—meet to look at practical applications of the kinds of projects that are being funded out of this and other grant programs. So I am very pleased with this program, because it is sort of industrial development and practical applications of the technology that are being focused upon.

Mr Lessard: This seems to be one of those areas where there is a multiministerial or across-the-department involvement. What other ministries might be involved in this fund?

**Mr Castel:** The Ministry of Industry, Trade and Technology and Treasury are on the committee.

**Mr Lessard:** Can you give us an idea of some success stories or some of the types of technology that we have been involved in?

Mr Castel: I have a list of projects that were funded that I could bring to your attention, if you would like, but the other thing I would like to point out is that this is a program that also shows some of the benefits of environmental control. What is always considered when we come to environmental control are the costs of control and we do not take into consideration the benefits. What the ministry is doing now is that we have a team of economists who estimate the benefits of environmental control, which in a lot of cases are either equal to or surpass the costs. This is something we try to explain to industry when it has to spend money on environmental protection, that there are benefits, tremendous benefits for the environment but also social benefits. This is what we try to bring up.

Regarding some of the projects that have been funded, I will have to refer to my notes, if I may.

1030

The Chair: Do you know a good joke? Hum a few bars. Just to break the silence briefly, perhaps Ms Haslam might follow up on her line of questioning with respect to household waste disposal and the fund from the government. How many communities applied this year and did not have access, as it is a finite amount of dollars? I am very fortunate in Halton, because we have one a month and I now learn that we get 50% funding from the province and 50% from the local tax base. But will all the moneys in those three programs you raised be expended this year?

Ms Haslam: Are you asking my question for me, Mr Chair?

The Chair: No. I thought you had asked that. You were on that line of questioning and I did not hear the answer to that. But in the interests of estimates, I think we would like to determine if this is an area where we did not spend all the money allocated, and how does that square

with the demand from communities who want to do the program?

Ms Haslam: I have a couple of letters from communities. This one was written to the Ministry of the Environment in September, and it is regarding hazardous waste and used tires and the tipping fees and so on. It says: "I am writing to inquire if the ministry has grants available for programs for these pollutants. I would also like to know if the ministry has programs as to how to dispose of hazardous waste and used tires."

I am talking about small townships here. I know that in Stratford—Stratford is my major city and it is right now in the process of applying to the ministry because it wants to set up one of these depots for hazardous waste, and I get letters saying: "We did it one day. The lineups were so bad." I am questioning \$200,000 a year. It does not seem like a lot when it seems the demand is out there for these depots. Perhaps it is a situation of one of these small townships saying: "What is available? What do you have out there?" I am not saying they have not done their job in looking into it, but sometimes these small communities do need some help in finding out what is available for them to make use of some of the money that is available.

The question is very good, Mr Jackson. If there is excess money out of \$200,000—if only \$200,000 a year is in this program and you actually did not spend it all, then I would like to know how many applied for it and why was it not all spent? If I have communities in my county asking for information on it, I would like to know how much is left in that and how many applied for it, and is anybody ever turned down and on what criteria they were turned down for use of this fund?

The Chair: Mr Castel, you returned with some information for Mr Lessard, first, and then—

Mr Castel: The information is going to be here within an hour. I have asked for it.

The Chair: Very good. So we will move beyond Mr Lessard's line of questioning. Did you hear the essence of Ms Haslam's question?

Mr Castel: Yes. I think what I was going to explain yesterday is that in the waste management area, particularly in the 3Rs, we have a budget of approximately \$54 million. There is some flexibility within the various components of waste management. For example, for the hazardous waste collection program there is \$200,000 earmarked based on the demand that the staff is aware of, but if there are applications from municipalities that exceed the \$200,000, then there is flexibility to move money from other components. Really, it is a question of demand. I cannot answer how many projects were turned down, but as far as I can tell the projects that were turned down were simply because possibly they did not meet the criteria for funding.

Ms Haslam: What are the criteria?

Mr Posen: André, Hardy Wong is here.

Mr Castel: I have it, actually. First of all, the objectives of the program are to reduce household hazardous waste disposal to sanitary sewers, to assist in determining

an environmentally superior method of managing household hazardous waste, to reduce the potential of injuries to refuse collection and disposal workers, to increase public awareness of hazardous waste issues, and to aid in the development of a sustainable long-term strategy for management of this waste. The eligibility criteria are that any municipality establishing a household hazardous waste collection program or project is eligible for financial assistance, and municipalities are prioritized on the basis of health and environmental concerns in their area. The ministry provides up to 50% of the operating cost to the municipality as a grant, and the maximum grant payment is \$15,000.

Those are the criteria we assess these applications on, and if there are applications that qualify based on the merit, there is flexibility in the funding. The funding has not been an issue.

The Chair: Can I put a fine point on that? I am sorry to interject, but you said it is open-ended. Does that mean there is no cap on this program, that all a municipality has to do is apply and it is eligible? Ms Haslam was trying to get at whether we spend all the moneys. We are almost finished this year's estimates. We have a month and a bit to go. Did you spend all this money, and were there any applications turned down? The committee would like a sense of that.

Mr Castel: We have not spent the \$200,000 yet.

The Chair: For this full year?

Mr Wong: Hardy Wong, director, waste management branch. If I may add to what André said, to the best of my knowledge there has never been a request from a municipality rejected based on the grounds that there was a shortage of funds. The only times we reject, most cases we reject are that in our opinion several municipalities can group together to run a much more efficient system together, one household hazardous waste day; they insist on having three at about the same time, because most happen in the spring and fall, and they are very close by and we encourage them to do it together. Again, that was not the last reason for dispute, that we did not always come to a consensus and agreement that something worked out to have one event be launched, that sort of case.

I can always get you information as to exactly this year how many applied, how many were funded and what the actual expenditure was and if there is any money left at all.

**Ms Haslam:** That is fine. That is what I asked for.

The other thing you are talking about is the one-day event. I am also talking about the long-term project. I would like to know how many long-term hazardous waste projects were funded this year also.

Mr Wong: I can also get you that information, but I know total in the last two and a half years, I think, we have 12. I indicated to the committee yesterday that 12 municipalities in this province have already established permanent depots. This is what the ministry has been encouraging the municipalities to do, setting up a permanent one on an ongoing basis.

The Chair: Mr Hansen has a quick question. There are only a couple of minutes left.

Mr Castel: I was just going to add that perhaps the previous year's expenditures would give an idea to the committee of how much is being spent for this program. In 1988-89 we spent \$298,000 and in 1989-90 \$341,846, so we have exceeded the \$200,000 ceiling in the last two years.

The Chair: That is very helpful.

Hon Mrs Grier: Can I just pick up on that? My understanding of some of the difficulty is that the municipalities have to then commit themselves to an ongoing program and to some operating funds. Our funding is really start-up and incentive funding, so the municipalities are more inclined to do a one-day, one-shot thing, because that will be covered by us, than get into a long-term program.

**Mr Castel:** That is correct. The municipalities have to provide 50% of the funding.

**Hon Mrs Grier:** Right, which is sometimes the impediment to us disposing of all of our funds.

**Mr Hansen:** That was actually my idea, the first question, that if there were funds left over at the end of the year municipalities that actually got swamped with toxic waste—in other words, say it is \$15,000, they figured it would cost \$30,000 when it is going to cost \$60,000 and it is outside their budget. That was one thing.

I have had some complaints from people who live in my riding. They tore down a building which had paint on bricks and built a driveway, and now the ministry is after them, fining them, plus to have all these bricks with paint on removed. Is there anything in the process with municipalities, on a permit of tearing down the building, where actually rules and regulations of the ministry are told to the persons who are demolishing a particular building? It seems to be that after the fact, all of a sudden, you find out you broke a rule and now you are going to get fined. This is what I hear coming back from the ministry all the time, "But I didn't know." Is there anything in the process or an education program out there with municipalities so that people know ahead of time?

1040

Mr Wong: That particular case I am not aware of. I understand why the problem might happen. It is a general provision in regulation 309 which defines what is hazardous waste and what is not hazardous waste and what is not a waste. There are basically three types of material defined by the EPA. In this case, I assume from the scenario that the contaminated bricks have been defined as a waste rather than non-waste; non-waste we call inert fill in regulation 309 on EPA. I assume that, in the opinion of the district officer, the contaminated bricks should be defined as waste and as such that the material could not be used for roadbed construction purposes. That is probably the reason. I am guessing from the story you are describing.

Regulation 309 was introduced in 1985. Prior to the introduction of regulation 309 was a full year of applying 309 as a guideline in the field. After one year as an application, that regulation was incorporated into the regulation format. Again, before 1984-85, used as the one year, there was for about 9 or 10 months a public communication program; extensive, 68 seminars being held across the

province from Cornwall to Kenora, many sessions being held and educational programs. Of course, no matter what kind of public communication program there is, there are always gaps and people are still not aware of the regulatory requirements. But we are speaking of a regulatory requirement which has been the requirement for the last six years.

Hon Mrs Grier: I certainly have had the same situation in my own constituency, which is that when a demolition permit is issued for something it is issued by the municipality, and it does not necessarily check with the ministry to say, "Are there any environmental problems?" and they do not have the capability themselves or the interest in saying, "Hey, this may be a problem." If it is a major plant demolition, then it comes under decommissioning guidelines, but, again, that is voluntary and there is no mechanism.

I spoke to my own municipality about whether it would, every time it got an application for a demolition permit, advise the ministry, and it was reluctant to do that. I think that is one of those areas between the ministry and the municipalities as (a) we become more conscious that you cannot just tear down a building and use something that may be contaminated in another way without creating secondary problems, and (b) as people become more conscious that what they picked up from a waste site is perhaps hazardous and ought not to be reused to build a garden shed, it is one of those areas that now falls between the cracks, so we have to start looking at it.

**Mr Hansen:** I agree with you completely. This was was a volunteer job of tearing down an old church; it was with a licensed contractor but a volunteer basis.

Hon Mrs Grier: Again, that is exactly the kind of issue where I think, quite frankly, it is more appropriate that we help the municipalities, which are on the spot, which have to issue the demolition permits, with information about what they should watch for. I heard a frightening story of somebody who, in their summer area, had gone into an old mine site and taken materials that were just left lying to build a dock, and they turned out to have been contaminated. People are becoming more conscious of the dangers of doing that, but in a formal way, in cities, there is not a way of getting the information through. I agree it is something we need to look at.

The Chair: I would like to move now to Mr Cousens, by prior agreement.

Mr Cousens: If I can follow through, I did ask the ministry yesterday, and the minister indicated there would be some response forthcoming on the biochemical waste, biomedical waste and so on.

Hon Mrs Grier: Right. Mr Jackson of the ministry is here.

Mr Cousens: That is good. There are a couple of questions I would like to raise and just put on the table, and maybe there can be quick answers.

Hon Mrs Grier: Oh, that would be nice.

Mr Cousens: It would be an amazing moment.

Ms Haslam: It would be more amazing if they were quick questions.

Mr Cousens: I will try.

Hon Mrs Grier: Wait until you have heard the answers before you comment on the questions.

Mr Cousens: A doctor in Hamilton is not indicating that AIDS is the cause of death, and so therefore funeral directors can receive and pick up remains that could have died from a number of causes. Toronto General Hospital will no longer indicate whether a corpse died of hepatitis or whether it was quarantined. Corpses are no longer typecast in any way.

**Hon Mrs Grier:** Did they say infectious without specifying the nature of the infection?

Mr Cousens: There is no indication of the infection or the degree of infection or whatever now on corpses from the Toronto General Hospital. That is not true of all hospitals, but it is true of the Toronto General Hospital. It is also true that anything that comes with the body, the body wrap and any other materials, is considered hazardous waste, and so therefore that is something the funeral director has to look after once he has received the body.

Now we get to the situation of what happens with the hazardous waste that funeral directors have, and I understand there is not an Ontario-based organization to look after this. Could the ministry indicate if there is an Ontario-based medical waste disposal place? Otherwise I guess everything goes through the Decom Medical Waste System, where this waste is looked after in Quebec. Is that true?

Hon Mrs Grier: Will you introduce yourself for the record and try to handle that one.

Mr M. Jackson: I am M. B. Jackson, counsel at the Ministry of the Environment.

**Mr Cousens:** Do you know the answer to the Decom part?

**Mr Conway:** I did not hear that. Legal counsel to the ministry?

**Mr M. Jackson:** Yes. One of the lawyers in the legal services branch of the Ministry of the Environment.

Regulation 309 under the Environmental Protection Act requires that the hazardous waste be manifested and picked up by people who have certificates of approval to operate hazardous waste management systems. Decom is the major one in the province—I do not know whether it is the only one; Mr Wong may be able to answer that—that picks up waste from funeral homes.

Mr Cousens: What waste is picked up then from funeral homes? I guess the question I have is, why is blood not picked up?

Mr M. Jackson: Blood can be picked up. However, under the Funeral Directors and Establishments Act of 1989, which is administered by the Ministry of Consumer and Commercial Relations, the regulations under that act require the funeral home to have equipment to decontaminate liquid wastes. The infectious liquids are treated with disinfecting agents, embalming fluid or Javex before they are discharged to municipal sewers or septic tanks.

Mr Cousens: So it is a clear statement then that blood waste, after it has supposedly received this chemical disinfection process, will end up in the sewer system and is not picked up along with the other contaminated waste.

Mr M. Jackson: It is up to the funeral director to determine which method of waste disposal he uses, shipping it as a hazardous waste or first rendering it into a nonhazardous waste by disinfecting it and then using either a sewage system—

**Mr** Cousens: The province has no standard on what happens with blood waste?

Mr M. Jackson: Yes.

Mr Cousens: But has no way of making sure that all funeral directors would follow that procedure.

Hon Mrs Grier: That is what the new legislation last year was precisely designed to do, to give the authority to the funeral directors and the regulation under that legislation provides for how they dispose of it.

**Mr Cousens:** Why is blood waste not picked up along with other hard waste?

Mr M. Jackson: Because it is not hazardous waste if it is disinfected.

• Mr Cousens: Is this true of AIDS virus, hepatitis virus and other viruses? Is it absolutely certain that this is the case?

Mr M. Jackson: The Ministry of Health has issued information with respect to the AIDS virus that indicates it does not survive outside the human body for any extended period of time, and if it is also subjected to treatment it will survive an even shorter period of time.

Mr Cousens: What are the guidelines? I guess I would like to see a copy of them circulated, the guidelines for fluid waste and solid waste. Are there regulations and other matters that tie into that?

1050

Mr Wong: I am Hardy Wong, director of waste management branch. All funeral homes in Ontario are registered with the province under the requirement of regulation 309 as a hazardous waste generator, and when those materials are shipped offsite and it is defined as pathological waste and biomedical waste, they will be using the manifest system under regulation 309 for the cradle-to-grave monitoring. We certainly can provide the biomedical waste management guidelines both for within hospitals and other health care institutions, for solid waste including sharps and equipment as well as fluid materials.

Mr Cousens: What is the way in which fluid wastes are handled from all labs and hospitals? Are they treated in the same way as funeral director licensed centres?

Mr Wong: They are treated by the regulatory requirements under 309. As long as they are pathological wastes as defined by reg 309, no matter what sources they come from, whether it is from lab or hospitals or funeral homes, they are dealt with in the same way.

**Mr Cousens:** Is there any risk to society when some of these fluid wastes are put in the sewer without being pre-treated?

Hon Mrs Grier: I think the Ministry of Health has guidelines that are followed. I am not sure that we are able to make a judgement on the—

Mr Cousens: I am asking a question, Minister, because I am saying, are there any dangers to society—you as minister and your staff should have an answer on this—when fluid wastes go into the sewer system without being pre-treated?

The Chair: Is there a water quality person on staff present who can answer water quality matters?

Hon Mrs Grier: Under regulation 309, if it is a hazardous waste, I am confident there is no danger to society in the way in which it is treated.

Mr Cousens: That is not the question I asked. I asked the question, does society have any concerns about untreated fluid waste that would come from either labs, hospitals or funeral directors? I want to know what risk that poses because the present system that you have described, and is being described here by your legal counsel and Mr Wong, would indicate that there is a system, but if there is some place—lab, hospital or funeral director—who does not follow the guidelines you have just described, then the fluid waste will end up in the municipal system. I want to know if there is any risk for AIDS, hepatitis or other infectious diseases to be carried in that way. I would just like to know that.

Hon Mrs Grier: Every time any generator of waste fails to obey the guidelines there is a risk to the environment, whether it be sewage, whether it be body waste, whether it be chemical waste, and the regulations are designed to make sure that those are treated properly. If anybody violates those, that is why we have an investigation and enforcement branch and attempt to make sure the regulations are followed.

The regulation with respect to the treatment of body waste from funeral homes, as I heard described, is a regulation prescribed by the Ministry of Health as to what has to be done to it. If in fact that treatment occurs, the Ministry of Health considers it safe. If it is not safe, it is subject to regulation 309 and has to be disposed of in accordance with hazardous waste.

Mr Cousens: Are you satisfied that the present regulations for dealing with fluid wastes that I have just described are satisfactory and you are satisfied the way it is now?

Hon Mrs Grier: I had not been aware of the issue in the questions you have raised until you raised them. I think they are serious questions that have to be addressed and I certainly wish to explore with the Ministry of Health what that regulation says and satisfy myself that in fact the regulations are adequate. I am not prepared at this point to give that categorical assertion because I quite frankly do not know.

**Mr Cousens:** Can you tell me and this committee or the Legislature when it is you would have some statement on this matter for clarification?

Hon Mrs Grier: I am satisfied that the enforcement and the operation of the regulations administered by my ministry are designed to protect the public and protect the environment and that if followed, will do that. On regulations of another ministry that you have brought up in this context, I am going to need to consult with the Ministry of Health and form an opinion on it.

Mr Cousens: Can you indicate when you will do that and when possibly you would have an answer?

Hon Mrs Grier: No, I am sorry, I cannot do that.

**Mr Cousens:** Do you see it as a problem that is worth looking into quickly?

Hon Mrs Grier: I certainly do. I think it is a problem I need to inform myself about with my colleague the Minister of Health, and I will do that and I will communicate to you the conclusions that I reach as soon as I can.

Mr Cousens: I asked a question earlier as to the licensed incinerators to take medical waste. Are there any such licensed services in the province of Ontario?

Mr Wong: We will provide more details in the next day or so. The total of our biomedical waste incinerators in the province is 106, 26 of them built post-1986 and 80 of them built prior to 1986. The reason I mention 1986 is because during that year there was an amendment to regulation 309 imposing some different requirements on the incinerator.

Mr Cousens: Is it true then, in your experiences, that Decom Medical Waste System seems to be the large and important one in Ontario? Are there any others that are looking after it, labs, funeral waste, or is that all?

Mr Wong: A portion of lab wastes is going to hospitals right now.

Mr Cousens: I guess what we see here is another possible not-in-my-backyard syndrome, where people have said, "I don't want to have anything in this province," so you will end up seeing, as we have in certain other areas of incineration, that it will go to the United States, or in this instance it goes to Quebec. I think Ontario should have a way of looking after its own refuse. You say that of Metro Toronto and people—maybe you do not, but others say—"Hey, look after your own." We as a province certainly have a responsibility to look after things within our area, rather than just constantly shipping them outside. I make that as a comment.

Hon Mrs Grier: I would not disagree with you, Mr Cousens. What I have found in my own experience as a member of a board of governors of a hospital was that hospitals were attempting to collaborate and co-operate within their areas, so that a central facility would be built, shared between a number of hospitals. I think in the rural parts of the province, certainly in northern Ontario, that has been the pattern that is followed. Inevitably that sometimes takes longer to put in place, but I have not been aware of a not in my backyard scenario. I think the acknowledgement that biomedical waste is a problem and has to be disposed of by incineration has been very generally acknowledged.

Mr Cousens: I think you can accept the fact that it is largely a NIMBY syndrome, though, and I am not going to argue. That is not for you to handle or me to handle. I will

just tell you that in my community there has been an effort, on occasion, for a company to set up biomedical waste disposal and there was such a strong reaction they did not build it there. I am sure it has happened in other communities and that is not germane to what your ministry handles. It has to do with a societal problem. I am not about to waste time in this committee on that issue.

Hon Mrs Grier: We are in a consultation with two proposals at this time that I think may lead to something.

Mr Cousens: I asked yesterday from the minister an organization chart of your staff. Did you bring one along perchance?

Hon Mrs Grier: No, I have a list of my staff which I can share with you.

Mr Cousens: Talking with the Oshawa/Whitby This Week publication, I was told that one of the writers has tried many times to get hold of your staff to ask questions with regard to the barge that has PCBs on it and is not getting any answers back from your staff. I wonder if you could give me an indication, what is the time frame in which people can expect a phoned response or some kind of response from your staff that deals with a local issue outside Toronto? There is a feeling sometimes that non-Metro areas do not receive the same treatment as does Metro and I wondered if you had just a simple guideline for your communications staff to get back to news reporters, such as the Oshawa/Whitby This Week publication, which has been trying innumerable times over the last couple of weeks to get a statement from you or your ministry.

Hon Mrs Grier: I was not aware of that call. We do not have a guideline, other than we try to respond to all telephone calls as quickly as we can, regardless of where they originate, so that we can identify the nature of the problem and receive assistance from the ministry staff in resolving the issues. I am sorry if somebody from that particular publication was not able to get a response, but if you would give me the name and the number, I will make sure that somebody gets back to them as quickly as we can. I was stunned by the increased level of my popularity after 1 October.

Mr Cousens: You could tell it when you went to Sudbury. Would you like to give the estimates committee some indication of what your expectation is for response by your communications staff to media questions, so that it is on the record?

Hon Mrs Grier: I think media questions ought to be responded to at least within 24 hours, if not sooner.

Mr Cousens: Thank you very much.

Hon Mrs Grier: But I acknowledge readily that I have not up to now—failed to make that standard.

1100

Mr Cousens: Now we have at least got something to look forward to. I have a number of other questions. I am going to run out of time, but I would like to get crisp questions and crisp answers, if I could. The Countdown Acid Rain program: what are your plans for extension of the program, specifically the revision of the 1994 guidelines, and inclusion of the remaining 20% of emitters?

Hon Mrs Grier: I think what you are referring to is the clean air program that was promulgated by my predecessor and which has been out in the public purview for consultation. The deputy is telling me this is the continuation of the Countdown Acid Rain.

Mr Cousens: Yes, it is. It is Countdown Acid Rain.

Hon Mrs Grier: That is right, but the CAP program was also to catch many of the smaller emitters that were not part of the original countdown one and we are getting response to that. I have not at this point a timetable or a specific plan that I can share with you with respect to the extension of either the countdown program—

**Mr** Cousens: Have you any idea when you will be able to make such a report?

Hon Mrs Grier: No, we are looking at all of the ongoing programs of the ministry, evaluating them from the point of view of whether they are in fact effective, whether they are reaching the objectives our government would like to see, and that is one of the many programs that is being examined. I cannot be any more specific than that at this point. The deputy would like to add something to that.

Mr Posen: I would note that the federal government, through its discussions with the US, has recently concluded a Canada-US air agreement which covers the acid rain portion. There have been some initial discussions with the federal government, I think, to ensure that we are on target for the 1994 limit and the beginning of the discussions about where we intend to go nationally, as well as provincially, in the post-1994 period. I might add that one of the complications is going to be that there are differences in view in this regard that the federal government has experienced from different parts of the country.

Mr Cousens: Do you have any other specific measures to reduce sulphur dioxide and carbon dioxide emissions, as a ministry, specific measures under way to reduce SO<sub>2</sub> and CO<sub>2</sub> emissions?

Hon Mrs Grier: That is part of the program that, as I say, was put in place by the previous government, the clean air program, and that is now out for public consultation.

Mr Cousens: You do not have any measures yourself at this point?

Hon Mrs Grier: No, because I am waiting to hear the public response to a progam that was initiated by my predecessor and that I felt deserved to be discussed widely and broadly across the province, so that I could benefit, not only from the work that had been done in the past, but from the public's views of this program, before I made any decisions about whether or not to proceed in the same way or to take any new directions.

Public consultation is, I think, very important and there are a lot of people out there who have a lot of good ideas and a lot of very practical experience, both whether as part of the Countdown Acid Rain program or in their own capacities and I do not think, quite frankly, that all of the best ideas originate in government. I want to hear what industry and the public have to say before I move.

Mr Cousens: What is your total expenditure on the development of the clean air program?

Hon Mrs Grier: Clean air program?

The Chair: Mr Castel will be with us in a moment. Mr Cousens, perhaps you could move to another question while Mr Castel comes back.

Mr Cousens: I guess the question the minister could answer quickly is, is it going to look like MISA? Now he is coming forward. Are there many parallels?

Hon Mrs Grier: As I think I had indicated, Mr Cousens, the program is out there in the public for consultation and what it is going to look like as a result of those comments and as a result of any decisions this government makes is too early to say.

Mr Cousens: Okay.

The Chair: We have Mr Castel and Mr Ronan back with us.

**Mr Castel:** I believe you asked how much was spent for the development.

Mr Cousens: Yes.

Mr Castel: Approximately \$600,000.

Mr Cousens: Could you give me a breakdown on that? Was that just within this past fiscal year?

Mr Castel: Yes, that was the start that was used to develop the program.

**Mr Cousens:** What would you see your budget for the next fiscal year to be?

Mr Castel: This will depend on which way we go and it will depend on the public consultation process and what final program is decided on.

**Mr Cousens:** What is your time frame for the public consultation process to be completed and you to begin your thorough evaluation?

**Hon Mrs Grier:** I think Mr Ronan can respond to the timetable.

Mr Ronan: The decision paper, the draft regulation, was released last August and there is a 180-day consultation period. As you probably know and you have had the opportunity of looking at that program, it is a very comprehensive, complex, massive kind of—

Mr Cousens: The 180 days is over when?

Mr Ronan: At the end of February.

**Mr Cousens:** Do you have a time frame of activities that will take place at that time?

Mr Ronan: What we are doing now, we are looking at the program. Since our draft regulation was released on 15 November 1990, President Bush signed the amendments to the Clean Air Act. So there have been very substantive changes in the level-playing-field requirement associated with the draft regulation. We have also been directed by our new minister that we should look at the draft regulation that we have put out to see whether it is the best way of integrating all the program approaches we have and it incorporates all the pollution prevention requirements.

Mr Cousens: Mr Ronan, do you have time line of what you expect to do over the next period of time as of the end of February?

Hon Mrs Grier: Let me respond to that. The ministry staff do not have a time line because what we are getting back, as part of the consultation on the previous government's program, is a mixture of comments. We are getting from some people some very detailed addressing of the actual specifics in the draft regulation and we are getting back from other people some questions about the fundamental approach that was taken by the clean air program and some concerns that the time frames that were embodied in that program are not sufficient, and obviously from others that they are too short.

I think what we are going to be faced with, when that period of review is over at the end of this month, is a very broad range of opinions and points of view that is going to take some intensive analysis to see whether the way in which the previous government had been proceeding is in fact the most effective way of reaching our objectives of a really good clean air program.

The other change that has happened since the clean air program was put out by my predecessor has been the movements in the United States which have in a way changed the playing field and, thank goodness, brought the United States up level with where Ontario has been.

Mr Cousens: But you do not have a specific time frame.

Hon Mrs Grier: I do not have a specific timetable.

Mr Cousens: And you do not know when you will have that.

Hon Mrs Grier: I do not know when I will have and I am very concerned that what we do is good, can stand up to scrutiny and can achieve our objectives rather than is rushed for any particular—

Mr Cousens: I do not think I suggested for a moment that you rush it but I would like to know what your plans are. It does seem to have a priority with you, I hear you saying, and you will be giving—

Hon Mrs Grier: What I am hoping to achieve is a more ecosystem approach. I find that, as we look at the various programs that are in place, there has not always been in the past the connection between land, air, water, and the approach that I think environmentalists feel is desirable. So we want to look at both the fundamental underpinnings of the various programs and the kind of priorities that this government will have.

Mr Cousens: I could not agree with you more. I have some more questions.

The Ontario Round Table on Environment and Economy: I wonder why the Minister of Transportation was not included in the round table that was recently given out. Yesterday in your opening remarks you indicated that specifically, if you go back to Hansard, you said the Ministry of Transportation was an integral part of your environmental strategy. Why then was the Minister of Transportation excluded from the round table?

Hon Mrs Grier: The Minister of Transportation, as I am sure you know, is the chair of the cabinet committee on environmental policy, and so certainly his point of view is brought to bear there. There are representatives from the

transit sector on the round table and there are representatives of that ministry, I think, on some of the sectoral task forces.

**Mr Cousens:** Yes, but he is not on your round table.

Hon Mrs Grier: He is not on the round table—

Mr Cousens: Is that an oversight?

Hon Mrs Grier: I do not think that is an oversight. I think-

Mr Cousens: Why is the Minister of Industry, Trade and Technology not on the round table?

Hon Mrs Grier: What this government has done is have both the Premier's Council on Health Strategy and the Premier's Council on Economics revamped to take the broader approach rather than a fairly narrow sectoral approach and to link them more closely to the ongoing work of the ministries and of the government. So in appointments which were made by the Premier to both of the councils as well as to the round table a balancing was done so that there was representation from all aspects of the government's programs and on the various councils and round tables. I forget, quite frankly, which one the Minister of Transportation is on, but he is on one of them.

1110

Mr Cousens: That is fine. I draw it to your attention anyway. You may have missed your purview but both the Ministry of Transportation and the Ministry of Industry, Trade and Technology are not on the round table on the environment, which is another good process. One question I had—

Hon Mrs Grier: Let me just comment on that because I think it is important that we be clear as to what the round tables were intended to be, which was very much a multistakeholder approach—

Mr Cousens: That is why I questioned why you do not have them in there as a multistakeholder.

Hon Mrs Grier: —because government is one stakeholder, industry, non-governmental organizations, community groups are other stakeholders—

Mr Cousens: Mr Chair-

Hon Mrs Grier: —and I certainly do not—may I, please? I think the question is about our approach to the round table.

The Chair: Actually, Minister, you freely offered to offer additional clarification, and I sense Mr Cousens is satisfied.

Mr Cousens: I am.

The Chair: For this committee's purposes, he has the right to indicate that he is very satisfied with your response.

Hon Mrs Grier: Mr Chair, with all due respect, when I am cut off in the middle of a sentence as I try to give a response, Mr Cousens may be satisfied with some segment of the information, but I would not want Mr Cousens to find himself privy to only part of the answer and therefore perhaps misinterpret some of the information that I and my officials are here to give him today.

The Chair: I do not think that was the problem. Please, order. You are both engaged in a to-and-fro, and—

Hon Mrs Grier: Well, as long as we are engaged in a full and fact-finding exercise, I—

The Chair: No, you are engaged in an estimates, Minister. I want to bring that to your attention.

Mr Cousens: That is right.

The Chair: If any members of the committee indicate that they are satisfied with your response, it is not the minister's position to interpret how they will interpret the information you have given up to that point. I think that is only fair. Mr Cousens did provide advance warning that he had a series of questions in a very short space of time and he wished to convey them as briefly as possible. If we could go back to the questioning and answering, and I will take my guidance, all members will take their guidance through the Chair.

Mr Cousens: Mr Chairman, I want to just-

Mr Perruzza: On a point of order, Mr Chairman: I have been sitting here quietly and I have been listening. Mr Cousens has been very crafty this morning in his questioning of the minister, and I am very—

The Chair: He has been crafty and you have been silent. What is your point of order, Mr Perruzza?

Mr Perruzza: I am getting to my point. The Chair: Will you get to your point.

Mr Perruzza: Will you give me an opportunity?

The Chair: No. The rules say you must state your point of order immediately.

Mr Perruzza: I have been sitting here and I have been eager to hear some of the answers that Mr Cousens has asked. By and large, they have been questions that have been bang on, and I am interested in the answer that the minister is providing and—

**The Chair:** I am still waiting to hear a point of order.

Mr Perruzza: Mr Cousens continually cuts the minister off in midstride as she is—

The Chair: I am still waiting to hear your point of order, Mr Perruzza. I am not hearing one.

Mr Perruzza: I would like to hear the answers.

The Chair: There is no point of order. Proceed, Mr Cousens.

Mr Cousens: I want to go on record to say that I am strongly supportive of the round table on the environment, the process it follows and the importance it has to the gathering of information. The round table is not the problem, absolutely, categorically. The point I just make in humble suggestion by the question is that there is a need to look at the composition of it.

Where does the funding originate within the ministry for the round table on the environment? Is it vote 1503? I guess the other question that ties in to it is that it was under Management Board before and then it had been moved over to your ministry. How much money was transferred over to the Ministry of the Environment?

The Chair: Deputy?

Mr Posen: The chairman of the round table under the previous government was the Chairman of Management Board. The funding for the round table and its administration was with the Ministry of the Environment. The current government has appointed the Minister of the Environment as chair of the round table.

Mr Cousens: I know that.

Mr Posen: So no funding change was required to take place because the funding was located in the Ministry of the Environment.

Mr Cousens: It is just a matter of taking that as a lump sum now and referring it through to the Ministry of the Environment?

Mr Posen: It was in our budget last year.

Mr Cousens: Under what vote?

Mr Castel: Vote 1503, item 4, and the amount of money that was in the ministry, as the deputy has mentioned, is \$620,000.

Mr Cousens: Okay. That is fine. That satisfies my question.

I have a question for the minister on research, the environmental technology fund. Could you provide for us today, or is it available quickly and easily, a list of the projects receiving funding from the environmental technology fund showing the project name, the amount of grant and the recipient?

Hon Mrs Grier: Yes, we can. In response to Mr Lessard's question, we have already agreed to provide that information. Whether we can do it today or not, Mr Castel can tell us.

Mr Castel: The director of the research and technology branch, Mrs Tosine, is on her way and will have this information.

Mr Cousens: That is wonderful. Thank you very much.

What kind of accountability is there, Minister, to the Ministry of the Environment for grants given to organizations like Friends of the Earth? They received, on page 117, \$25,000. The Friends of the Earth monitors federal and provincial issues. I am interested in what kind of true accountability you have. Do you have feedback from them? They receive a grant from the ministry of \$25,000 a year. How do you know it is used in a certain way, on provincial issues rather than—not that I oppose it, I just want to know the method of accountability that you have for that kind of thing.

Mr Posen: The organizations which receive either a miscellaneous or line item grant from the ministry do so by agreement with the ministry. They are obliged to report back to us that the funds have been used as they put forward in their application.

Mr Cousens: Do you have any checking up on that, or is it just a matter of auditing the things that are done with those moneys? When I add it up, you have the Conservation Council of Ontario, whose functions I attend, \$21,000; the Harmony Foundation, \$25,000; Ontario Environment Network, \$25,000; Canadian Waste Materials Exchange, \$25,000; Ontario Waste Exchange, \$70,000;

Pollution Probe, \$25,000. If you have a system where they give you a response, is there any further checking on it?

Mr Posen: Yes. I think most of the funds are in support of specific projects which they submit to us and there is an ability to check on that basis. André, do you want to comment?

Mr Castel: We have a ministry committee and the applications come to the committee. As soon as they are received, depending on the application, they are sent to the relevant branch for analysis. For example, if it is an air project that we are funding, the applications would go to the air resources branch. We would get the recommendation and then the committee would recommend payment, and at the end of the project we always insist on getting a report or something for the money that has been paid out. For example, the Harmony Foundation has developed certain applications and the ministry received copies. We always make sure that we get a report on the project that has been funded.

Mr Cousens: Okay. Some of the more generic, though, I would think there may not be a specific book. A book would be easy to cover.

Mr Castel: Some of them, for example, have given environmental conferences on topics of current interest and either we attend the conference or we get the proceedings of the conference. We make sure that the money has been well spent.

Mr Cousens: Thank you. That is great.

A question I have as well for the ministry—just to make sure the dollars are well spent. I am on the public accounts committee—the Environmental Youth Corps was originally an \$11-million commitment. Now it is down to \$9.2 million on page 119 of the main estimates. Why has it decreased? The next question that goes with that is, could I have a list of the projects and jobs that were funded by the Environmental Youth Corps?

Hon Mrs Grier: Yes. My understanding is that this is money that we manage, but in fact we then give resources to other ministries to hire the youth for their particular projects. Again, Mr Castel is the expert on the finances of it.

Mr Castel: We have a number of student programs in the ministry because we feel that the employment of students is of tremendous benefit for the ministry during certain periods of the year. For the Environmental Youth Corps there is a budget of \$10.9 million. It is a government-wide program that was established by the previous government; it is government-wide, not just for the Ministry of the Environment.

What it does is to contribute to conservation and effective resource management and to provide young people with an opportunity to be positive contributors to environmental protection enhancement and advocacy and to acquire and develop transferable job skills. So this criterion fits, for example, the Ministry of Natural Resources as much as the Ministry of the Environment. What has happened is that we have been able to recruit 3,800 students under this program and they come from all parts of the province. For example, we had 536 participants from eastern Ontario.

Mr Cousens: Without being rude, I appreciate that, but would it be possible to receive a list of the projects they did and the jobs that were funded?

Mr Castel: Yes, that is possible.

Mr Cousens: I ask the question of the minister. Last year during the provincial election the Environmental Youth Corps was used in at least one riding by a sitting Liberal member to do a public relations activity, cleaning up a creek bed at that time. Is that in keeping with the policy of the Environmental Youth Corps, or is this something that you would do differently if the election were to fall during the time they were active?

1120

**The Chair:** And where might we make application, depending on the answer?

Hon Mrs Grier: I am quite sure the guidelines do not provide for that kind of political activity, but let me confess that last summer I was invited to help clean up a creek with the Environmental Youth Corps in Etobicoke, not even in my own riding, and was more than happy to put on hip waders and get into the creek with them. I think it is a salutary experience for all members of the Legislature.

The Chair: And there was not even any mud slinging.

Mr Cousens: To that extent I was glad to see you with hip waders. I have done it without the Environmental Youth Corps. But I would challenge the ministry to review the guideline for politicians. If you were to do that without the Liberal, Conservative and other parties being able to be represented at that time during a political election, then I would suggest that the Environmental Youth Corps needs to have political guidelines and that the minister would want to rethink what she did last summer for future possibilities.

Hon Mrs Grier: I can assure you I will not be—

The Chair: You will need to take it under advise-

Hon Mrs Grier: I will take it under advisement. What a good idea.

I think to suggest that these kinds of projects are vehicles for political activity is unjust to the very well meaning, non-profit organizations that in fact sponsor and put to work a lot of these young people. They frequently are in partnership with municipalities, as the one in Etobicoke was, or with other government agencies, and those people are asked to come and kick off the project or be present at its initiation. I think that to impute the motives of that would be unfortunate.

Mr Cousens: I am imputing the motives to the extent that it was used in an election campaign. The person who was able to go out with the Environmental Youth Corps was of another party. The representatives of other parties running for election in that riding at that time did not have an equal opportunity, and I see that as a misuse and abuse of the Environmental Youth Corps, which otherwise has salutary purposes and does a worthwhile job. But to use it during an election campaign in a way that gives preferential treatment to one over the other is wrong, and I was strongly hoping that the minister would take stronger action on this.

Hon Mrs Grier: I take your point. I was not aware of it and I think that if you or the other candidates were not invited—

Mr Cousens: No, it was not in my riding.

Hon Mrs Grier: —that should then be taken up with the sponsor of the particular event and the organization sponsoring it.

**Mr Cousens:** There is no guideline for the minister to correct that and you have no intention of changing it?

Hon Mrs Grier: No. People involved in this project are as any other employee of the ministry, bound by the guidelines of the civil service, I would assume.

**Mr Castel:** There is an interministerial committee actually that can use these vouchers. As I said, the funding is for various ministries, not just the Ministry of the Environment, and the applications are reviewed by a committee.

Mr Cousens: I do not think I am being understood. I cannot believe that there is not a stronger feeling from someone other than myself that the Environmental Youth Corps could be seen to be used to political advantage, and was, by one specific party. It was a Liberal.

**Mr Conway:** Who was it and where?

Mr Cousens: I will tell you privately.

Ms Haslam: Was it an incumbent?

**Mr Cousens:** It was an incumbent in his constituency. Interjection.

Mr Cousens: Yes, and I am not about to. I do not want to get into it. But they are back, and maybe that was the thing that just did it for them.

Hon Mrs Grier: Mr Chair, let me allay any suspicions-

The Chair: Let us get back on track.

Hon Mrs Grier: No, I want to set the record straight. There certainly is no intention, I suspect, on the part of the previous government or of this government to use the Environmental Youth Corps or any other organization that receives a grant from the government in a political way. If that was done, it was unfortunate and it certainly would not be my intention to allow that to continue in the future.

Mr Cousens: I want to thank the minister for that excellent answer.

**The Chair:** Supplementary from Mrs Marland if you would, please.

Mrs Marland: It is actually a supplementary to the subject that I raised yesterday. I wondered if the minister's staff had the answers about the burning of PCBs at St Lawrence Cement. Second to that, I did ask, through the Chair yesterday to the minister, what her position was visa-vis St Lawrence Cement proceeding to an environmental assessment hearing for an RDF facility at its plant, now that it would be in conflict to your position of being opposed to incineration.

Minister, you said you would be willing to sit down with the St Lawrence Cement people and tell them your opinion, but my question goes further than that. Do you see that it is a good use of public funds to allow an EA hearing to go forward, knowing how many thousands of

dollars it costs the public to hold one of those hearings, if you are opposed to incineration, and what would be the logical end to this? Will you bring in legislation with a prohibition on incineration?

Hon Mrs Grier: I cannot answer that question specifically at this point. St Lawrence Cement, as a private project proponent, is certainly entitled to know the views and the policies of the government and to make its decisions based on those policies, and I will make that plain to it.

I do have an answer to your question about the PCB content. Let me make sure the question has been taken correctly. The information I have been given is that the question was: What was the PCB content of the waste solvents being burned at the St Lawrence Cement plant in Mississauga, and when did the ministry order the company to cease its burning of these wastes? The answer is that the PCB content of the waste solvents was 37 parts per million. The ministry instructed St Lawrence Cement to discontinue receiving and burning waste solvent on 8 September 1990.

Mrs Marland: Thank you for that answer, Minister. What is the answer, then, to the question about proceeding to an EA hearing with a refuse-derived fuel proposal for St Lawrence Cement, knowing what the cost to the public for that hearing is if your ministry is opposed to incineration?

Hon Mrs Grier: I am not familiar with the details of that proposal or the stage it is at. I will undertake to investigate and get back to you with a conclusion.

Mr Cousens: The minister was talking earlier about the technology transfer conference. It is something that has been going on for a number of years; it is not something that has just happened this year. Is that not true?

Hon Mrs Grier: I think it has been seven or eight years.

Mr Cousens: To me, it is something that has quite a good history to it. On the spills action centre, what was the number of spills reported last year, and is it declining or increasing?

Hon Mrs Grier: Erv McIntyre can answer that one.

Mr McIntyre: I am stretching my memory now. If I recall correctly, it is in the order of 20,000 spills. We have reported to the centre, though, far more than spills. We have events, we have complaints off hours when the other offices across the province are not open, and we have spills—or alleged spills, I suppose, is a better way of referring to it, until a field staffer goes out and looks at it. There is a report available for 1989; 1990 is in the process of being done. I can certainly make that available to you if you wish.

Mr Cousens: I would very much appreciate it. I would like to have 1990 as well.

Mr McIntyre: The 1990 is not available yet.

Mr Cousens: But when it is, if you would be so kind.

Mr McIntyre: Yes, certainly, there would be no difficulty providing that to you. In terms of the number of spills, it is up. Marginally, the trend has been upwards, which we partly attribute to the activities of our investigations and enforcement branch in terms of prosecuting people who do not report the spills to us, and, second, the general awareness of people to the acts and to the legislation that has come over time. When the spill centre was created, we started off essentially with a very small number of spills being reported to us, and we are catching them and we anticipate them peaking out.

Mr Cousens: I would really appreciate that. I would love to hear more, but I have that information. If we could get a listing of those spills for 1989, and 1990 when it is available, we would very much appreciate it.

Minister, what are the number of environmental assessments under way? Could you give us, rather than comment on it, a breakdown by sector for the number under way at the present time?

Hon Mrs Grier: Not off the top of my head.

Mr Cousens: No, in writing following the presentation today.

Hon Mrs Grier: Yes, indeed.

Mr Cousens: Is the security fund for your ministry still \$20 million? Will it stay at that level or go up? What did you spend on it last year and the year before, and could you give us a listing of the payouts through to the security fund?

Hon Mrs Grier: I suspect more than \$20 million, but, again, André has the figures.

Mr Cousens: Could I just table the question and receive the answer later?

Hon Mrs Grier: I think other people will be interested in this one because we have not really talked about Smithville or the major expenditures.

The Chair: Excuse me, Minister. Mr Cousens has about two minutes left. He may wish to put questions on the record, or you can agree with Mr Cousens that if he were to submit those they will constitute part of his request and will be circulated to the members of the committee, but he has specifically requested that he be able to put them on the record at this point.

Hon Mrs Grier: We will endeavour to answer them and share the answers with the other members.

1130

The Chair: And the other remaining speakers may wish to pose the questions Mr Cousens has raised.

Mr Cousens: I can just table the questions so that they are on the record and we have them. The Environmental Compensation Corp: What is the total paid out so far for Hagersville? The Environmental Assessment Board: How many hearings were held last year, how many are expected this year and how many of these were for waste management projects?

I am very interested in your progress on the beach cleanup, and I would just like to know if you have any specific plans for 1991. Also, under utility planning and engineering, vote 1504, was there any support in this section planned to help municipalities meet MISA requirements? If so, I would like to know how much.

I would like to know more about the Ontario Waste Management Corp, the total spent to date from the time of its inception, not from this year. I would like to see the total cost, to get where we are as of 19 February 1991 from the moment we started putting people on salary and began the project. This year it was supposed to be \$13.3 million. I am wondering whether we are over or underbudget for this year. I would like to know what the status is of the EA hearings there, and, if you could possibly take the kind of chance you no longer seem to take as minister, as to when the facility will be up and running or some guideline as to when that could be happening.

I have one other question. It is that the employee benefits in your ministry are up in every activity. Is there some explanation of why employee benefits have increased so much across the board within your ministry? Mr Posen's eyebrows go up an extra notch there. I would like to know that. Could you also explain the meaning of the large increases in "cyclical awards, reclassifications, pension adjustments and transfers?" I would be interested in that, and if also we could receive this year's staff complement compared to last year's, the total staff complement for the ministry by different divisions so we could have a sense of the growth and change taking place.

The Chair: Could I move on? Thank you very much, Mr Cousens. Briefly, Minister, then I would like to recognize Mr Conway.

Hon Mrs Grier: We will certainly try to get the answers to those specific questions. I just wanted to comment or perhaps ask for a clarification on the one with respect to funding to municipalities to meet MISA guidelines. I think I explained yesterday that we had not proceeded in the municipal sector with the MISA program yet, so I do not know what you were looking for in that.

**Mr Cousens:** There is no money allocated at all to the municipalities in any way at the present time?

Hon Mrs Grier: We will clarify how much is ongoing funding for utilities and how much is in fact—

Mr Cousens: I would have thought there was some already.

Hon Mrs Grier: It may be difficult to distinguish between what they would get for sewage treatment and water treatment plants anyway and how much of it is related to MISA.

Mr Conway: My colleagues and I would just like to proceed to a number of questions, some of the areas touched on earlier and in some places a couple of new venues.

I am intrigued by my friend the member for Markham's earlier observations about the politicization of the Ontario Environmental Youth Corp in only this respect: I certainly would be concerned to think that there was undue political activity by any government department during an election campaign. I know that would be a first, and I do not condone whatever was done if that in fact happened.

I would be almost tempted to go back to the Unionville and Thornhill newspapers for March, April and early May 1985 to see how my friend, in his role as a ministerial incumbent, conducted his campaign. He is a very good fellow and I suspect that it was perfectly antiseptic and

absolutely apolitical, but I do know this: In the course of my time here, I think particularly of 1981 when we had something called the Board of Industrial Leadership and Development unfurled in, I think, late January 1981, only to be followed hours later by the launch of the 1981 campaign. I witnessed in the course of that 37-day period, shall I say, an enthusiasm for certain government programs with clear association of Progressive Conservative candidates. I do not, again, condone the unreasonable, but I think my friend invites us to a kind of monastic existence during the 37-day event that not even his sterling character and past record would recommend.

The Chair: I thought you ran the whole 1987 campaign that way.

Mr Conway: I only know what I did and I certainly—I do not expect the new government to behave without an interest to its own re-election. I expect to see some things, lots of things, over the course of the next five years that I have seen over the past 25, and I think the minister is certainly wise in what she said about undue or unreasonable activity.

But I just want to put a slight caution to what the member has said, because certainly all members—as I say, I am tempted to go back and see what was done in York Centre in 1985 to see the extent to which the incumbent for Markham invites the representatives of the Reform Party or the New Democratic Party or the Liberal Party to share in those things that he would consider, I think, the normal part of his incumbency. I just make that observation and I expect, as I say, to see some things.

By the way, I got a note from the communications people at Environment the other day, quite a nice letter, actually, asking me to indicate my preference in the making of announcements in my constituency. I was kind of intrigued by that, because it seems to me that that is, by and large, a ministerial function. My advice to the communications person, which I tried to make as polite as possible, is that I do not expect to be involved in those announcements. Those are the government's announcements and if I choose to comment, I can.

It is like presenting cheques. If there is anything unseemly, it is the presenting of cheques. I think that is probably a dying art. If it is not, it ought to be.

I think one of the most encouraging things the new government has done, and I commend it entirely for it, is that throughout my constituency now there are nice big billboards that say, "Brought to you by the taxpayers of Ontario," and I think that is entirely appropriate. I do not know who the guru in the communications world of the new government is, but whomever she is, she ought to be congratulated for that.

Hon Mrs Grier: The Premier can take full credit.

**Mr Conway:** I give him credit in that respect. But as to the politicization of certain activities, certainly in the new order I do not expect there to be a totally non-political approach to things.

Hon Mrs Grier: But I am sure, Mr Conway—let me just get it on the record—that the activities of the public service are non-political and will continue to be. I think it

is important that we just re-emphasize that point in view of the questions that were raised.

Mr Conway: I think it is an interesting observation. Standing back and watching the new government, my impression is that there is a very significant politicization of the public service. We do not need to debate that here, but I am quite struck by what I see as significant new undertakings by the new government, some of which are clearly stated—

Ms Haslam: Excuse me, is this about Environment? I question the time—

**Mr Conway:** I think this is a matter of government policy, Mr Chairman.

The Chair: The Chair rules it is germane. The minister and the member can use their time as they see fit, but thank you for the question.

Mr Conway: I do not have a quarrel, Minister, with this. You are the duly elected government and you have won the right to do things your way. As I say, back to some of the conversations we had earlier, I expect, for example, this to be a very political administration, and part of good politics, of course, is seeing your way to effecting change and part of that, surely, is winning re-election to effect even more change. Certainly I have in the first three months observed some patterns of activity within the public service that I will be watching for greater development. At any rate, I think I see some interesting things occurring that I would recognize as being perhaps more political, in the best sense of that word.

I want to come back to a couple of points that were raised earlier. One of them has to do with the Countdown Acid Rain program and the whole question of clear air—clean air, rather; clear air as well. If you live on the 46th floor of an apartment building in this city, I will tell you, clear air is not always what you see in the morning. One of the questions I have about this is the Clean Air Act developments in the United States. Some comment was made earlier. What specific steps has the Ontario Ministry of the Environment taken or is contemplating to monitor the implementation of that particular program and the development of regulations under that program?

1140

Hon Mrs Grier: Ed Piché from the air resources branch is here and has been involved over time in all of the programs.

Mr Posen: May I just begin by noting that the ministry does have by contract an agent in Washington who does provide us with information on activities in the US Congress and the administration related to environmental matters, and provided us with an ongoing sense of how the debate in the United States on that act was developing and a sense of what the issues would be for consideration. That is one means we use for keeping track of what is going on there.

Second, through our discussions with the federal government in federal-provincial fora, we certainly receive reports from it on its discussions with the US government. Third, we are involved in a number of cross-border arrangements. Mr Piché, for example, is Ontario's representative on the

Ontario-Michigan air quality board, and that provides another set of contacts and networking to keep track of what is happening there, because so much of what happens in the US is an arrangement with the US federal government setting the standard, but a lot of the delivery is happening at the state level.

Mr Conway: I gather that they are proceeding now to get into the highly contentious area of writing the regulations under the new legislation. Is that correct?

Mr Piché: Ed Piché, director, air resources branch.

That is correct. The curious aspect of the American approach is that they talk a good story but when one examines in detail the actual benefit, it is a long time coming. An example of that has been our experience in dealing with the Americans in the acid rain issue. I think it is safe to say that they still have some going to catch up, independent of what it says under their new Clean Air Act.

We have, as the deputy indicated a moment ago, many parallel approaches for dealing with, from the basic scientific level all the way essentially to the senior level, in terms of communication channels both via the federal government—because the US Environmental Protection Agency is a federal agency—as well as via the state groups in the United States. We have at this time a detailed analysis comparing our programs vis-à-vis the new clean air programs, and I am pleased to say that they stack up very well.

Mr Conway: Is there an internal committee of the Ontario government looking at the draft regulations that are being contemplated under the US Clean Air Act?

Mr Piché: Within the confines of my responsibility, yes there is.

Mr Conway: What is the involvement with some of the key players? The Canadian Coalition on Acid Rain comes to mind. What kind of participation has your group with the coalition in this matter? Is it fairly formal?

Mr Piché: I am not sure if I totally understand.

Mr Conway: I am trying to understand, for example, how you are as a government—and you have indicated how that is happening—looking at the ongoing development of those regulations. As you monitor that, what kind of input does the coalition have, for example?

Mr Piché: As you know, we have a proposed approach, as it were, on the street, and we have, in the process of entertaining all comments from all sectors on that proposed approach—one of the aspects of the consultation process is that it is perhaps a continental consultative process because of the promulgation of the Clean Air Act. Do we have a formal process at this moment where we sit on a regular basis with the coalition? The answer to that would be no. Do we communicate with them on a regular basis? The answer would be yes.

Mr Conway: Can you just briefly, from your vantage point, elaborate on where you see some of the real difficulties coming? You indicated the gap between promise and performance unique to the American Congress. Where in the early going do you see some of the real problems developing?

Mr Piché: I will be pleased to do so. I think one can focus one's thought by perhaps an analogy or an example. As the deputy indicated earlier, we work very well or very closely with Michigan on various issues. We have a socalled MOU or memorandum of understanding. During the time the Clean Air Act was being promulgated, we were engaging in other activities dealing very closely with the Americans and at the relatively senior level. The comment was made to me that when the act is passed, it will be necessary for a very significant infusion of resources in the United States or it would have some difficulty in enacting it. If one studies what has happened in the United States, that infusion of resources has not come so this then causes us to watch the ensuing events very carefully, because if it does not have the resources, it does not matter what it says; it is what it does.

Mr Conway: Just then to another area, one of the initiatives that has been taken recently that seemed to attract a great deal of attention and support was the ban on CFCs. I am interested to know how we are coming with that, what progress you can report and particularly what progress you can report on some of the discussions with people like Fiberglas.

Mr Ronan: The Ministry of the Environment has been kind of a leader in this field. We have been working with the federal government and we have joined in a program with it to achieve 50% reduction in CFCs by 1994, and we also have signed on with the federal government to, by the year 2000—to bring that forward now, it is suggested to bring it to 1997—have got out of the whole production of CFCs and their use.

We are very advanced with respect to having a regulation in place and having programs in dealing with the companies. We have met the companies and we have negotiated with them how they would phase down their production. In fact we are still negotiating with some of them because they find that it might be a bit draconian, as they perceive it, because it is very fixed-target oriented, but I believe we are going to meet those guidelines.

Mr Conway: So the time lines that were contemplated by the previous government's policy seem to be able to be met. Is this what you are telling me? There is no unforeseen difficulty in proceeding along; that is at least a minimum timetable.

Mr Ronan: Yes, because always with these programs now we are dotting the i's and crossing the t's with some of the companies in terms of some of their positions they present about potential hardship, so we believe that notwithstanding that, which is a normal mode of trying to get delivery on these targets, we are confident that we are going to achieve the goal of the 50% reduction.

**Mr Conway:** Do you see expanding the ban beyond that which was initially contemplated?

Mr Ronan: Yes. There is some use in sterilents. It is also used as a solvent for electronics. There are also other substitutes that we are looking at, some of the Halons, etc, and consequently there is a whole dynamic here about the substitutes and whether they have an ozone depletion

potential and whether we will need a regulatory mode to go after them.

1150

Based on the success of the program we have now in place, I am happy to say the willingness of the industrial sectors to participate and buy into the environmental concerns and hazard and change process, is really I think a very good example of the new approaches we are seeing in the corporate sector. We will go beyond that 50%, and we are hopeful that by the year 200, we will have substitutes which do not have any ozone depletion potential, or minimal.

**Mr Conway:** If I called Fiberglas Canada this afternoon, it could confirm this? They would say, "Yes, we are moving along without unforeseen difficulty"?

Mr Posen: Fiberglas Canada is a special case because the regulations set a time frame on which to judge the amount of CFCs it was using. Fiberglas Canada's plant in, I believe, Scarborough was in the process of starting up during that point. We have deemed a base number for them. They have accepted that number and they and we recognize that over the next two years as they ratchet down the amount of CFCs used in their process, they have got a technological problem. They have a substitute which will take them so far, but their research department is working to see where they can go after that. That is going to be a problem in a number of cases. There are individual cases dealing with individual types of CFCs and products, but so far my sense, though, is that those are a minority of situations.

**Mr Conway:** Perhaps, deputy or minister, you could supply the committee with a brief memorandum indicating those kinds of exceptional situations.

Mr Posen: Yes. My sense is that is the only one, but I will check into it.

Mr Conway: I would not mind, and I am sure the committee would not mind then, a brief note just simply telling a bit of the story of Fiberglas because it is not insignificant in this equation. I do not expect you to tell me state secrets but I would like to know their case against the broad outline of that policy and what—

Hon Mrs Grier: Mr Ronan, I think, wants to answer that.

Mr Ronan: With respect to that question, we have discussed with officials of these companies the proprietary nature of the information we are dealing with about their base year, the product line, and they have indicated they would have serious concern if that information became public. They have consulted their lawyers, so I just point out that may not be easy to table, I think.

**Mr Conway:** That does not surprise me. What you are basically saying is that you have had to treat Fiberglas as a special case because of difficulties with—

Mr Posen: Simply their startup time.

Hon Mrs Grier: The calculations.

**Mr Conway:** As long as you start up presumably because they cannot yet identify certain substitutes, I guess, beyond a certain point.

Mr Posen: Beyond a certain point, but that is a problem down the road. and the regulation, if I remember it, reads that you are to cut 25% in year 1, 25% in year 2, and it does leave the minister some discretion to explore problems as they arise. I think for the first couple of years they have no problem. It is after that that they begin to be concerned about their product and the production capacity—

Mr Conway: I would like a note within the constraints with which you are obviously working just to explain to me and the committee how the Fiberglas case stands in light of the general policy. I appreciate the point because we were talking yesterday—I want to move now to the pulp and paper sector—the sort of thing that governments have to deal with as they move forward with very good and sound policies and encounter these kinds of practical difficulties.

Minister, the party of which you are a member has, I think, made a fairly clear position public over time that by, I think it is January 1993, two years from now, you want to see a zero discharge of organic chlorines from all pulp and paper mills in Ontario. Is that still your view?

Hon Mrs Grier: I must confess I do not remember that particular date, but certainly getting down and defining "zero discharge" is part of the whole issues resolution process of MISA. We had some discussion yesterday about the moving percentage point and there are various ways of coming at your discharge.

We just recently released the monitoring and data from the pulp and paper sector, if that is the one you are going to talk about, and we have some very real concerns about what we now know, and we know, thanks to MISA, more about what is coming out of these industries than we ever have in the past. Coming to grips with how quickly we can move to deal with it is a very high priority for me. I see Gerry has come to the table and I know Jim Ashman from water resources is here. He will be more than happy to go into some detail.

Mr Conway: Mine is just a very simple policy question. Time is short and my colleague the member for Fort William I know wants to engage some of this pulp and paper sector as well. I am in the pulp and paper industry and I am in northern Ontario and I have read over time that the NDP has stated a policy that by January 1993 it wants a zero discharge of organo-chlorines from pulp and paper mills operating in Ontario. My question is a simple repeat: In your view, is that still the policy of the party in government?

Hon Mrs Grier: Certainly reaching zero discharge is the objective of this government. What we are faced with is a MISA program designed not to do that and not to do it by 1993. A number of industries have been proceeding on the expectation that this in fact would not be what would be imposed upon them. So as I say, the whole question of the definition and understanding of what in fact zero is and how you get there if you are going to proceed on the best available technology approach that MISA has is something that I have not yet resolved, but now we are working and almost completing the monitoring phase of MISA and it obviously is the first question that has to be answered when we look at the control regulations.

Mr Conway: My colleague, I know, wants to get in on this. I just have another question. Given what you have said and anticipating, as I would, a number of communities and certainly a number of companies anticipating very significant capital outlays, have you had any discussions with your colleagues in council about providing some assistance to help companies reach this objective of zero discharge?

Hon Mrs Grier: I am sure the member does not expect me to reveal the discussions in council, but certainly dealing with discharges to the province's waters is a concern of all of my colleagues and our support for the stated objectives of the MISA program is well known. The timetable by which we reach those objectives I have always felt was not satisfactory under the existing program and what we can do to accelerate that is on the agenda of all of us.

Mrs McLeod: I would like to pursue this a little bit and to pick up on a comment that I believe you made yesterday, although I do not have Hansard in front of me to confirm the actual words. As we talked about the definition of "zero discharge," I believe one of the comments you added was to the effect that the ideal would be not to use any chemical compounds at all, which would be the clearest way of achieving an absolute zero in discharge.

I guess that raises the question of a confusion in expectations which I was wanting to address yesterday—industries broadly under MISA, but perhaps specifically with the pulp and paper industry. I confess to a little bit of a concern as a representative of an area that has pulp and paper industries in the riding, that there tends to be a constant focus on what has not been done without any corresponding recognition of what has been done and the efforts that have been made.

The other comment you made in another context yesterday was your belief that incentives will encourage people to take action and I truly hope that will be one of the focuses that you bring to environmental management issues: incentive and positive recognition of achievement.

I would also just mention that if lagoon technology continues to be the best available technology for some of the treatment of waste in the pulp and paper industry, you will discover that the siting of lagoons creates as much of a NIMBY problem in northern Ontario communities as waste management sites in some other parts of the province.

Having said that, can I ask about the confusion of expectations? I was wanting to elicit yesterday some sense of whether or not the zero discharge concept, if it really means "Do not use chemicals at all," is incompatible with the direction of MISA, and if so if you would in fact bring MISA to a halt and substitute a different set of goals.

1200

Hon Mrs Grier: Mr Bradley had put in place an issues resolution process as part of MISA, and the whole question of zero discharge and how that was defined and what it in fact meant and what virtual elimination meant was very much a part of that. In fact, discussion is not yet completed, but I would like to ask either Jim Ashman or Gerry, who were part of that issues resolution exercise, to perhaps comment on it as they have been privy to it.

Mr Ronan: Maybe we could just place into context this term "zero discharge." It has arisen because of the analytical technology, the ability to detect ever-decreasing lower numbers of chemicals in the environment. Dr Ashman yesterday described it as the shifting decimal. In the 1960s we could measure things to a parts-per-million range. Then in the 1970s, when gas chromatographs and other instrumentation came into labs, we were able to go to the parts-ber-billion range. To place that in context, it is about eight decimal points before you get a one. Now we are down to the parts-per-quadrillion range. I will use dioxin as an example, and it is linked to your pulp and paper question. We are able to measure very, very low levels.

Mrs McLeod: Just because we are very conscious of time and have a number of areas to cover—I am well aware that we had some discussion yesterday about disappearing zero. I think, in fairness, it was a very specific policy question. If the direction now is no chemical use at all, are we talking about substitute processes rather than MISA control regulations?

Mr Ronan: As the minister indicated, some of the industries we have been meeting with have acknowledged that they may have to actually change the process. In Sweden, this is what has happened in the pulp and paper industry; they have changed the use of chlorine and they have used other bleaching agents. That is one of the challenges we are posing for the industrial sectors, and we have set up a very elaborate consultative mode to explore the viability of that with the sectors. Dr Ashman is leading a team that is carrying through that process with the sectors; perhaps, Jim, you could mention how we are proceeding with it.

Mrs McLeod: Perhaps, again, that is something we could come back to at a later moment in time, and I will just ask a couple of focused questions, because I know otherwise my colleagues are going to experience the frustration of not being able to move on to other areas. Is there any point in this estimates book, any funding that has been given through the loans for environmental defence fund? A supplementary would be plans you would have for financial assistance, and I will use again specifically pulp and paper companies, to make the restructuring adaptations for the environmental directions.

Hon Mrs Grier: Were there funds allocated in this estimates for—

Mr Castel: It is \$500,000 for LED, but it is a program that has not really been used yet. The LED program was intended to help industries at the time that we promulgate the control regulations and we are still in the monitoring stage, so it has not had any application as yet.

Mrs McLeod: If there is to be financial assistance provided through LED or through another program at a future point, are you concerned, Minister, about the issue of countervail under the free trade agreement for any assistance which is provided to industries to make these adaptations?

Hon Mrs Grier: This program is one that I gather was announced in 1987 and has not come into play yet. I confess I do not know how much work was done prior to its initiation with respect to examining the possibilities of

countervail, but I am sure it was taken into account by your government when the program was put in place.

Mr Castel: When the program was put in place we did not yet have a free trade agreement with the United States. The free trade agreement was silent on the environment, but this is something that will have to be examined, because you are absolutely right: it may contradict the agreement.

Mr Conway: Just three other areas that I think will occupy the time of the deputy and the minister. Very quickly for the first one—I am a resident of Waterloo city or the town of Elmira, and I am very troubled by what I have seen, drank, read. I am very anticipatory now of good news that is going to come my way as a result of stated commitments by the New Democratic Party last summer. What can I tell my friends in Elmira as to when you will be making your announcements, consistent with the promises made last summer, that a pipeline would be favoured and dollars would be flowing to support that and other clean-water-related matters?

Hon Mrs Grier: Our primary focus in Elmira has been trying to deal with the backlog of the problem that exists in making sure that the water supply of residents at this stage is safe. The alternative supplies that are being used, I think I can assure the people there, meet the quality of drinking water within the province. I would like to ask Boris Boyko, who has been handling the Elmira one, where we are at in terms of a long-term solution.

Mr Conway: Specifically, just to focus this, my memory is, and my file makes plain, that commitments were made that the NDP in government would favour and would fund a pipeline into Waterloo-Elmira as really the only practical solution for the intermediate and longer term. I presume that still holds? That is really a question for the minister; I do not expect a public servant to answer that.

Hon Mrs Grier: Of course not. I wanted to bring you up to date as to where we were at. I am not at this point in a position to say what the long-term solution will be. As you probably know, the region has looked both at a pipeline and alternative sources of recharge. But we talked yesterday about the whole ground water monitoring system. It is a very extensive and serious problem in that area, not just because of contamination that has been found but also because of the depletion as a result of growth and development, so I think that a quick answer is not available.

Mr Conway: I am just recalling commitments, and the commitments that issued from the now Premier and others were pretty clear on this point. You can take the question as notice and provide me with a written response perhaps summarizing what you said. I am really interested in being able to go to Elmira and simply tell those people, yes or no, a pipeline is coming as promised.

Hon Mrs Grier: I think that to say a pipeline is coming at this point would be premature. But the status of the pipeline proposal, which really the region has been discussing, we could give you a quick answer on.

Mr Conway: No, I will take that as a written answer at perhaps a later point, just because of time. The next area—and I know my friend the member for Nepean wants to have a go at this—is beaches. Again, I have lived in Toronto and I have lived in Ottawa, and I am very excited about the possibilities that will follow 6 September, because, again, I think some very firm and friendly commitments have been made about cleaning up the province's beaches. I want to know what specific plans you are developing, let us say for the summer of 1991, to improve upon what has been complained of in the past as perhaps an inadequate governmental response to the whole area of usable beaches.

Hon Mrs Grier: There are whole levels of concern about beaches, as I am sure the member is aware. There is the whole aesthetic approach to beaches, which is algae and things that wash up that are undesirable. My concern about beaches has always been not what you could smell and see but what you were not aware of that was there, and that, as I am sure you would appreciate, is a very broad issue, especially if you are talking about the Great Lakes and what is in the Great Lakes, and is not going to be resolved by the summer of 1991, let me assure you.

**Mr Conway:** Can you give me some of your goals, then, very briefly? What do you see as the ingredients of an appropriate and an affordable clean beach strategy?

Hon Mrs Grier: "Appropriate" and "affordable" are terms that I am not sure one can use in cleaning up beaches. It is not going to be cheap to get our beaches back to the state they were in before the development all around the edges of the Great Lakes occurred.

I guess I take a couple of approaches. One is looking at zero discharge, MISA and the kinds of programs that your government put in place that are long term and that are dealing with both persistent toxics and those toxics that bio-accumulate and which have very serious consequences for the usage of our water, whether recreation at beaches or as a source of drinking water supply.

The other aspect has to be preventive. Looking at my own community of Metropolitan Toronto, and the approach advocated by David Crombie in the royal commission, in that our planning and our ecosystem approach to what we do inland from the beaches has as much affect on what happens at the water's edge as the state of the water, I hope certainly by next summer to be able to share with the people of this region some of the aspirations and the programs that will follow as a result of taking that approach. But it is a long-term goal to make all of the beaches in this province swimmable again, and I entirely subscribe to the goal of the Great Lakes water quality agreement, which is that all of the Great Lakes should be swimmable, drinkable, fishable—but that is not going to happen by the summer of 1991.

1210

Mr Conway: My colleague from the national capital area has a supplementary, and I have one last, quick question.

**Mr Daigeler:** This whole question of beach cleanup is a very major one in the Ottawa area as well. Quite frankly, I am not very comforted by what you are saying. You seem

to be planning a lot of looking and studying, but we have heard very little about precise commitments, and I think when you were in opposition that is what you were asking for: What is your plan for this year? What is your plan for next year? What resources are you committing to that severe problem which you have criticized before? I would like to know from you what you are planning in terms of beach cleanup for this year. What are the resources you are allocating and what is the breakdown by region in the province in that regard?

Hon Mrs Grier: I am sure that is the kind of information we can provide you with. It comes from a number of different sources, whether it be preventive, whether it be something like MISA, whether it be rebuilding of sewage treatment plants which may, in any particular area—I know in some of the regions you are concerned about—be part of the difficulty. We would have to look at the wide spectrum of programs and provide you with a breakdown as to where that funding was going.

Mr Daigeler: I would certainly appreciate that, because I think that is what the people want to know. They do not want to just have a general expression of concern, because everybody does that. They want to know some specifics.

Let me give you an indication of what I am interested in as well. It is that whole LifeLines program. You have not touched on that yet; it is obviously closely related to the beach cleanup. Can you provide us with a list of this year's applications for funding, those that have been granted and those that have not been granted? My own city of Nepean made application a long time ago. We have a major problem in a particular area, and the ministry wrote that it is not sticking with its previous commitment of providing funding in that regard. So we are very disappointed about that, because we see that as an extremely important area, to improve some of the sewer infrastructure that is aging or was never put in place properly. First, can you provide that information? Second, what is your view on LifeLines? Are you going to continue the financial effort that was put into that by the previous government? What are your plans?

Hon Mrs Grier: We acknowledged in some of our discussions yesterday certainly that rebuilding of the infrastructure is a very important component of preventing contamination of water, whether it be through LifeLines or some other program. I am delighted that under the initiatives of the Treasurer to stimulate employment this winter some considerable amount of money has been made available to our ministry to place with municipalities to do just this kind of work.

I cannot comment specifically on the Nepean application, but I do know that projects are rated very much with respect to their priorities and where they can do the most good, rather than the squeaky wheel getting the grants necessarily, as has happened in generations past. We want to look very carefully at what we can achieve by that grant program and what the real problems are that are being addressed by the rebuilding. I see Jim Ashman indicating that he can perhaps answer something with respect to Life-Lines.

**The Chair:** That is fine, but Mr Conway has preadvised the Chair that in his final minute or two he would like a final question.

Mr Conway: Just a summary in writing would be fine, and I have some additional questions I will table with the clerk of the committee.

The Chair: You have a minute and a half, if you would like to read several into the record.

Mr Conway: No, I have two very quick ones. By the way, there is a nobility of purpose in that last observation, and I commend the minister, that not necessarily the squeaky wheel is going to get government's grease in the new order. That, as I say, has a nobility of purpose, but—

**Hon Mrs Grier:** It certainly will be a change. Is that what you are saying?

Mr Conway: No, not at all.

Hon Mrs Grier: Oh, I thought you were.

Mr Conway: No, no. As I say, I remember the previous order, when good friends, good members like the current Minister of Natural Resources and the current Minister of Mines came to see the government of the day about squeaks and creaks in their constituencies, and I tell you, it was a pretty interesting dynamic.

Two quick questions: You or the Ministry of Energy, which has the lead for the global warming initiatives within the government?

Hon Mrs Grier: Essentially, the Ministry of Energy, but we are working very carefully and co-operatively together.

**Mr Conway:** To the deputy, because the member for Markham touched on it and I just cannot resist: In a ballpark number, what is the current best guess, all dollars in running total, at the OWMC? Where are we now, just roughly?

Mr Posen: André has the number. Mr Castel: So far, \$111 million.

The Chair: We thank you, Mr Conway.

The Chair wishes to recognize that we have 15 minutes remaining for estimates. At this point, with the committee's indulgence, I would like to ask two questions that have been asked of all ministers, then I would like to ask for any information which the ministry has which it wishes to share, then closing summary comments and then the four votes. Is there agreement to proceed on that basis?

Mr Perruzza: Do we need another hour?

The Chair: No. We are going till 12:30. We will do our eight hours and that will be sufficient, in accordance with the time the House leaders have given us.

If I may, the two questions that have been asked by the committee to all ministers is: How much of the \$700 million inflationary package has the Treasurer allocated to your ministry? The second question is on the ministerial order for cutbacks of last year: What, if anything, can you report are the areas in which you have had to adjust, according to that interministerial memo?

Hon Mrs Grier: I think it was \$26.6 million under the new initiatives.

Mr Castel: It is \$26.5 million under the new initiatives, and the constraint that was imposed last year was \$8 million.

The Chair: And the areas in which that was—

Mr Castel: It came from various areas; we did not just take it from one area. I can provide this information.

The Chair: Thank you very much.

Mr Castel: Mr Chairman, Ms Tosine has arrived.

The Chair: I want to thank the committee's indulgence for allowing me to ask those two questions on its behalf.

Now, deputy, I am in your hands with any and all of the information you have been able to assemble up to this point that you can share with the committee, and then I would like a closing statement of your assurances that the matters will be sent to the clerk, who will in turn send it to the members.

Hon Mrs Grier: We sent for Ms Tosine around the grants, because there were two members asking those questions. Perhaps the deputy would like to respond to that.

Mr Posen: I have over 20 items that either have been put on as questions with the request for written responses. My suggestion would be that we simply undertake to respond to those questions in writing through the clerk. I would suggest that we do it in two parts: those things we can do by the end of the week, we provide at that time; and the others we will try to do as quickly as we can thereafter. I am not sure, in some of them—for example, on the PCB sites—whether we have that centralized or whether it has to be pulled in from each of the regions. It is that kind of problem. But I would undertake to provide those things we can by the end of the week and for the rest of it to follow.

The Chair: Thank you, deputy. Do you have any matters you can report to the committee now?

**Hon Mrs Grier:** Can we do the grants question?

Mr Posen: Ms Tosine is here.

The Chair: She has made the trip. Please introduce yourself.

Ms Tosine: Helle Tosine, director, research and technology.

**Hon Mrs Grier:** Essentially, the question was the nature of the grants that had been awarded.

Ms Tosine: This is under the environmental technology program, is that right?

This technology program began in 1989. To date we have approved 16 projects on which we have negotiated with the companies five contract agreements, with a total commitment of over \$2.9 million from the ministry.

I understand the question was to bring forward some examples showing marketability, commercialization and export. Was that the question? I have brought two examples. Because of the nature of the granting program, I am not at liberty to disclose who these companies are, but I can describe what their technology is.

1220

The first one I would like to bring the example of is a technology whereby gold mine tailing wastes would be addressed. What they would be doing is recovering toxic metals such as cyanide and ore recovery. What they have done here for the marketability and commercialization, as part of the requirement for submission to the grants, is that they are required to do a detailed market assessment plan. They have looked at the Canadian market, for example, as well as the Pacific Rim, and they have made several assumptions looking at the recovery for gold, copper and cyanide; the total recovery would be, for the Canadian market, over \$29 million annually. They have extended this to the United States; they have shown that the marketability of this technology would include the United States as well as the other Pacific Rim countries.

Hon Mrs Grier: How much money has the ministry contributed to that?

**Ms Tosine:** For that particular project? That project is for \$406,000. The total cost is \$719,000.

Hon Mrs Grier: So the payback is significant.

Ms Tosine: That is right. Would you like the second example also?

The Chair: One quick additional example would be helpful.

Ms Tosine: The second example looks at the use of ultraviolet light to decontaminate effluents from wood-treating process wastes, water that would be used for drinking water that is coming from the ground water, as well as water resulting from gasoline tank leakage. They have looked at the use of physical and chemical technology, including ultraviolet light, to treat this.

I neglected to say that the marketing and commercialization assessment is provided assistance to us by Industry, Technology and Trade as well as Innovation Ontario Corp. So they provide a fairly intensive review.

Once again, they have done a North American and European marketing strategy plan here and they show the export potential of this. They have also looked at eastern Europe's market as a potential, in areas where they have water pollution problems.

The Chair: Thank you very much, Ms Tosine. That almost completes our time for estimates. If I may, I would like to give some closing comments, two minutes or less, to Mr Cousens, then Mr Conway, then allow the minister the final response, and then we will conduct the votes.

Mrs McLeod: I just have a very quick question for clarification. Are all the environmental technology grants for market analysis studies? Is that the focus of those grants?

Ms Tosine: That is not the only focus of the grants. The focus is that it has to do something to protect the environment, has to be innovative and it has to show marketability and commercialization and export potential for Ontario. There are about five criteria and that is one of them, but that is not the only focus. The focus is environmental technology.

Mrs McLeod: That the money is actually used for?

Ms Tosine: The money is used either to develop the pilot plant to further develop the technology, but they have to provide a marketability. It is not simply research for the basis of research.

Mr Cousens: I want to thank staff and minister and all

for coming and for sharing.

I think there is a real problem with the process, because there is no way I am satisfied with what has happened by virtue of the time I have had in order to delve more deeply into the issues. If we are to do it differently, there has to be some kind of initiative on the part of—I think it starts with the minister at this point, to bring us together in our own round table so there can be dialogue and discussion. I have not talked to the minister since the House was in session and I think there should be ways in which there is an ongoing dialogue.

As it stands here today, I have some answers, I have tabled many, many questions and, to me, the process is fraught with frustration and problems and we will never be on the same team until we change this system. It is not doomed to the success that it should be; it is doomed to a kind of continual infighting which does not benefit the people of Ontario or the environment. It is all after the fact. What we want to have is something that is win, win, win, and I am not satisfied that we are doing it now. Even though the minister and her staff have responded to these questions, we need to find new processes.

Mr Conway: I just want to say that as a substitute to the committee I have had a good time. I congratulate the minister on a very effective and spirited defence of another person's estimates. She once again proves that all the reports about her being one of the best and brightest in the new order are in fact accurate reports.

Having heard her in a very effective way, I think, indicate what her views are, what her expectations are, we will return a year from now to see how well she is doing. Certainly next year's estimates will be her estimates. We will expect, presumably, to see significant changes in some of the in-house priorities and the funding moves to give effect to those changes and priorities.

That is the fun and excitement of any new administration, and I wish her well in that and I thank her for her candour and for her commitment to the cause.

Hon Mrs Grier: As minister I get the last word. That is one of the joys of being minister.

Let me thank the committee. It has been a helpful process. As Mr Conway has said, they were not my estimates, but certainly I am grateful that I had some familiarity with the programs before I became minister. It would have been an extremely, ever more difficult process had I not.

I appreciate the questions of the committee and I share Mr Cousens's concern. I, certainly as a critic, never felt that this was a particularly good process. What I had tried to do as critic was to set some priorities within the committee and establish those issues that would be done in depth, and I think that another year I would certainly be very open to the members of the estimates committee indicating ahead of time those issues or programs they wanted to pursue in depth, so we could come prepared to perhaps answer rather than have to send back issues. I always found it very frustrating as a critic when the committee went over a whole range of issues without ever really coming to grips with any of them, and I would be very happy to co-operate. But I think the determination of the process is very much in your hands, Mr Chair, and in the hands of the committee, and it would be inappropriate for me, as minister, to suggest to the committee how it handles it. I just want to indicate that I am more than happy to work co-operatively on whatever seems most appropriate to you.

I appreciate the questions and the range of them. I also am very interested to find that the priorities the committee has ascribed to issues in their questions are priorities that I myself have identified, ie, waste management, which is our most critical and immediate problem within the province, and I was interested in the focus on water and on MISA, because that, too, is something of very real concern to me. I am glad to note that that is shared by the members of the opposition and by my colleagues in my own party, and look forward, when I come before you next year, to perhaps having some changes of direction that I can share with the committee and defend at that time.

Thank you for your attention. Obviously, we need more than eight hours next year. I also leave that in your hands.

The Chair: We have now completed the assigned time for the 1990-91 estimates of the Ministry of the Environment. I should like to now proceed to call the vote on each of the estimate votes.

Votes 1501 to 1504, inclusive, agreed to.

**The Chair:** Shall the estimates of the Ministry of the Environment be reported to the House?

Agreed to.

Mr Perruzza: Mr Chairman, it is wonderful to see that once again we have unanimous consent on all these votes.

The Chair: Thank you, Mr Perruzza.

Before I adjourn, this standing committee on estimates will reconvene at 2 o'clock in this room, 228, to begin estimates of the Office for Senior Citizens' Affairs.

The committee recessed at 1230.

### AFTERNOON SITTING

The committee resumed at 1405 in room 228.

# OFFICE FOR SENIOR CITIZENS' AFFAIRS

The Chair: I would like to call to order the standing committee on estimates. We now begin seven hours of the Office for Senior Citizens' Affairs. I would like to welcome the minister, the Honourable Elaine Ziemba, to present her ministry estimates.

There are a couple of procedural matters I would like to cover off. First of all, as Chair, it would be my intention to remove myself now that my Vice-Chairman has arrived and for the purposes of conducting these estimates. I have been pre-advised by my colleague that she has to leave at 5, so I may return to the chair at 5, if there is no difficulty with that

The procedure, as per custom, will be to have the minister speak up to one half-hour, followed by the official opposition, then the third party, each for up to half an hour. Then the minister will be given up to a half-hour to respond in any way she sees fit with respect to the points raised prior. Then the committee will determine how it wishes to proceed through the estimates. As you can see, there is only one vote, so it is impossible for us not to be on topic at all times.

**Ms Haslam:** I assume that you are reverting back to the original way the estimates committee ran, which was 15-minute blocks of time for the opposition, for the third party and then for the government?

The Chair: That will be determined by the committee through a consensus. We would ask first if there are any requests from the committee at this time for any persons to be before the committee. As it stands, the Chair has not received any special requests, nor has the minister approached the Chair about any particular persons to attend to talk to the committee. Seeing none, at the end of the two-hour period we will determine how we want to proceed. If that is fine, I would now like to hand the floor over to the minister, who will introduce key personnel who are with her today. Minister, welcome. We are in your hands.

Hon Ms Ziemba: Thank you. I must admit these chairs do not help a short person at all.

I would like to introduce my deputy minister, Randy Norberg, and special assistant to the seniors' office, Philip Adams. We have a number of staff people sitting throughout, if they want to just introduce themselves.

**Clerk of the Committee:** We will not be able to pick them up on the microphone.

The Chair: Just the people beside you.

**Hon Ms Ziemba:** Fine, thank you. We do have a number of staff people and also from the Ontario Advisory Council on Senior Citizens.

I am very pleased to appear before this committee and I want to be able to present the 1990-91 estimates of the Office for Senior Citizens' Affairs.

Our government in the recent throne speech declared and I am going to quote from the throne speech because I feel it is very important—that, "Politics is about far more than what we can all get; it is also about what we owe each other." The work of my office is very much about what we owe the senior citizens of this province.

The way a society treats its older members is one of the most telling measures of its values and ideals. This government believes that the senior citizens of Ontario, who have built this province and worked all their lives to bring up their families, are entitled to live in dignity, security and with respect in their later years.

As you know, my cabinet responsibilities also include citizenship, human rights, disabled persons and race relations. In the past, the senior citizens' office was represented by its own minister. I want to stress—and I stress this emphatically—that the new arrangement in no way lessens the priority our government places on senior citizens. In reality, combining these responsibilities has enlarged and enhanced the role of the minister responsible for their concerns and issues. I am confident that seniors will judge our government by the results that we will now be able to achieve through this new structure.

I want to cover a little bit about the demographic trends. Our government recognizes the challenge of demographic change. Over the next 20 years, Ontario's population of senior citizens is expected to increase 57%, from 1.2 million to 1.9 million. By the year 2011, 16% of our residents will be 65 or over. That is compared with 12% today. By the year 2030, those 65 and over will represent one out of every four in our population.

The older-age categories will grow fastest. The 80 to 84 group will nearly double and the 85-and-over group will more than double over the next 20 years. In other words, the greatest proportional increase will occur in the group which requires the most intensive level of service, that is, those over the age of 85. The pronounced growth in the absolute number of senior citizens, and particularly the older elderly, will require expansion of many existing services and will create a new generation of needs. This will have a profound effect on provincial services, particularly health care.

To put these trends in perspective, let me quote the UN World Assembly on Aging. In its 1982 action plan, this global body proclaimed that the aging of society is not a problem to be solved but "an opportunity to be utilized." The issue is "not just one of providing protection and care, but of the involvement and participation of the elderly."

The greying of Ontario will have as profound an impact on society as did the baby boom in its day. We are committed to ensuring that Ontario's programs and services are geared to responding to this challenge of an aging society. But in our planning we must avoid generalizations. Seniors are not a homogeneous group. In fact, there is as much diversity in the 65-and-over population as there is, say, in the under-30s in terms of health status, income, lifestyle, education, cultural background, and so on.

Consider finances, for example. On average, today's seniors are well-off by historic standards. But averages can

be misleading. The fact is that 34% of all senior citizens, one in three, qualify for the guaranteed income supplement. This means they require government financial assistance to reach the minimum income level guaranteed to all Ontario seniors.

Seniors living alone are especially hard pressed. One of every two people in this group, most of them women, currently receives less than the urban poverty line; that is, they receive \$10,317 a year compared to \$12,148, the Statistics Canada poverty line in 1989. Put simply, there is too much poverty and inequality in our society, and too many senior citizens are the victims.

It is clear that improved income security for seniors is a systemic problem requiring systemic answers. One of the root causes is the state of the private pension system. Many of today's seniors have no private coverage at all. Some retired too early to benefit from the Canada pension plan. Many others, primarily women, were not employed outside their homes and therefore never acquired any pension entitlement. Also, many of those who have worked outside their homes were employed in service industries and other low-paying occupations where pension plans are not common. The situation of some recent elderly immigrants is particularly stressful. They do not even qualify for the basic income support to which other seniors are entitled. Welfare is often their last resort.

Our government is committed to pension reform. Recently, an interministerial task force was established to develop a private sector pension reform package. This would include proposals for indexation, employee access to pension fund surpluses and employee participation in overall pension plan management. These reforms will prevent the erosion of private retirement incomes by inflation and give employees a say in the decision-making around their retirement income. The ultimate result will be more people retiring with good private pension coverage.

We are also committed to pay equity and employment equity. If women are compensated fairly and equitably during their working years, fewer women will spend their retirement in poverty. At the same time, if those people who currently encounter systemic barriers are permitted to achieve their full employment potential, then their earnings and retirement income will be enhanced.

Let us also recall that economic and social conditions are linked. People with adequate income also tend to enjoy adequate housing, good nutrition and good health. On the other hand, poverty and inequality breed ill health, loss of independence and early institutionalization.

For seniors of ethnic backgrounds, the problems related to economic and social conditions are often intensified. A number of cultural and linguistic barriers limit their access to services. This is particularly acute for those who do not speak French or English. While all seniors in Ontario have equal rights to services in accordance with human rights legislation, in practice inequalities do exist.

The changes in immigration patterns will be of significance to all of us in government. The special needs of ethnocultural seniors must be taken into consideration when planning for the future. Prior to 1989, the Office for Senior Citizens' Affairs had the lead responsibility for co-ordinating the implementation of A New Agenda. This was the then government's blueprint for a reform of health and social services for Ontario's seniors. The key aspects were to put in place a broader range of community-based services to improve consumer access to these services and to rationalize and improve the quality of care in extended care facilities.

The principles outlined in A New Agenda have served as a basis for reform efforts to date. This government remains committed to the fundamental principles outlined in this document, to improve the quality of life for seniors both in the community and in care facilities.

With the government's decision in 1989 to take a more comprehensive approach to long-term care reform, the policy work done by the office served as a key component for the broader reform effort taken by the government. The office continues to contribute to this effort and will play a significant role in future development of a renewed, long-term care system in this province.

With the ministries of Health and Community and Social Services assuming the lead responsibility for this reform, the focus of the Office for Senior Citizens' Affairs turned to public education, communication and advocacy within government. We also offer a number of services designed to create environments that are supportive of seniors.

Our central role is to act as a government advocate on behalf of senior citizens. We express seniors' interests and concerns, both in the corridors of power and in the public arena. To do this, we are active in six major areas.

- 1. We promote the development of co-ordinated provincial government policies to ensure that seniors' interests are well served.
- 2. We encourage the recognition of seniors' contributions to society.
- 3. We foster the independence and participation of seniors
- We develop resources to motivate and assist communities, organizations and businesses to respond to seniors' needs.
- 5. We provide a central information and referral service to the public on programs and services available to seniors.
- 6. We sponsor research into matters affecting senior citizens.

In carrying out this mandate, we begin by listening. As minister, I have met personally with representatives of key seniors' organizations and service provider groups. I will continue to do this on a regular basis.

### 1420

Now I would like to highlight some of the recent accomplishments and upcoming plans under the six themes of our mandate.

First, our role in policy development. We identify emerging seniors' issues and advocate an effective government response.

The Office for Senior Citizens' Affairs participates in nine government committees on subjects ranging from home care to retirement communities. This participation, through interministerial committees, task forces and working groups, ensures that government policies reflect the needs and concerns of seniors.

I am pleased that our government is moving decisively to tackle some long-standing policy issues. Just a few months into our term, I had the honour of making two major announcements.

First, the government has appointed a commissioner to inquire into unregulated residential accommodation, that is to say, rest, retirement and boarding homes. The commissioner, as the committee members may be aware, is Ernie Lightman, an economist in the faculty of social work at the University of Toronto.

This appointment is consistent with the coroner's jury report on the death of Joseph Kendall, a 65-year-old former psychiatric patient. Mr Kendall died of a heart attack after being assaulted at a privately run boarding home. The 61-day inquest, the longest in Canadian history, revealed the appalling conditions which some vulnerable adults have been forced to endure.

Our government will not tolerate such abuse. We have put all facility operators on notice that mistreatment and neglect must cease now. We are going to put the full force of government behind this commitment. Mr Lightman will hold public consultations across the province, as well as receive written and verbal briefs. He will be reporting to me in early April, with the final report due in July. This report will assist me in providing better protection to our most vulnerable adults.

The second major government initiative I announced is a legislative package on advocacy, guardianship and substitute decision-making, to be presented during the spring session. These three pieces of separate legislation are being worked on in conjunction with the Ministry of the Attorney General and the Ministry of Health.

Our part of this legislative package will include an Advocacy Act. This measure, for the first time, will establish a system of advocacy for vulnerable adults that will allow their voice to be heard.

Ontario has approximately 600,000 citizens, including the frail elderly, with moderate to severe disabilities. We know most of these individuals can conduct their own affairs or are able to do so with the support of friends, family or social service providers.

Vulnerable adults are those who are unable to defend their own interests, yet have no one capable, willing and appropriate to assist them. This group is virtually powerless and at serious risk of neglect, abuse and exploitation. Our advocacy system is a systemic intervention to correct this power imbalance and protect those who have been forgotten in our society.

It is important to underline that many vulnerable people are not mentally incapable. They do not need and should not have a guardian. Advocates can help these individuals maintain independence and avoid guardianship.

The new advocacy service will deal with rights, personal care and systemic concerns. Rights advocates will visit persons who may lose their right to make decisions as a result of guardianship or other interventions. These advocates will advise vulnerable individuals of their options and make certain their wishes are expressed.

Case advocates will assist individuals to obtain needed programs and services and help them resolve problems. Finally, systemic advocates will concentrate on identifying barriers to participation and bringing about changes in laws, rules, regulations, policies and practices that affect groups of vulnerable adults.

An independent advocacy commission will develop and operate the system. Members of the commission will be appointed by cabinet on the advice of a committee representing the vulnerable adult population.

We also intend to enact a new Substitute Decisions Act that will replace and repeal the current Mental Incompetency Act. This new measure will provide for a power of attorney for personal care, so that mentally capable persons can designate someone in advance to make personal decisions for them should they become incapacitated. This mechanism will also allow individuals to choose in advance the types of medical treatment they would accept or refuse. The new act will make provision for partial or fluctuating mental capacity and will contain several other innovations to better protect our most defenceless citizens.

Finally, in tandem with the advocacy and guardianship legislation, we will introduce a Health Services Consent Act. This measure will clarify the rights and responsibilities of individuals, health care providers and substitute decision-makers in giving or obtaining consent to health services. This government is committed to protecting the rights and interests of vulnerable adults in this province. This legislative package will help create an environment in which vulnerable adults in Ontario can live with rights and dignity.

As I mentioned earlier, the Office for Senior Citizens' Affairs has been very active in the reform of long-term care. We in the new government acknowledge that reform is needed for compelling reasons. The number of seniors is growing dramatically. New medical technology is creating new service requirements. Seniors want to preserve their independence and are indicating a strong preference for more community-based services to permit them to remain living in their own homes. But our present services are disconnected, without co-ordinated planning and management. As a result, there are gaps and overlaps, and consumers trying to locate the right program or service are often left confused and bewildered.

In opposition my party was concerned about services for seniors. In fact, in 1986 David Warner introduced a private member's bill, the Seniors Independence Act, which was to provide for the integration of community-based support services with established programs and facilities.

Now that we are the government, we will be closely examining the needs of seniors in the community and addressing long-term care in a more holistic manner. This is being done in consultation with consumers and service providers. In recent months I have met with groups such as the United Senior Citizens of Ontario, the Ontario Coalition of Senior Citizens' Organizations and the Ontario Nursing Home Association.

As the committee members are aware, a framework for long-term care reform was presented in the Strategies for Change document released by the previous government. We have a number of concerns with this document.

First, many people with a stake in the issue were left out of the consultations leading up to these proposals. I have heard complaint after complaint from community groups who were not consulted. There was little input from the most important people, the consumers the system is designed to serve. In addition, for a document that was supposed to be a blueprint for reform, Strategies for Change contains a surprising number of vague ideas, unresolved issues and unexplained omissions. It raises almost as many questions as it answers.

Our government believes long-term care reform is important. We are determined to do it right. The Minister of Community and Social Services, the Minister of Health and I are meeting weekly on this issue to plan our course of action. We intend to move forward with recommendations to cabinet on the next steps for dealing with long-term care reform.

As you can see, the Office for Senior Citizens' Affairs plays an important advocacy role in the development of government policy. We are committed to effecting real change in critical areas such as long-term care, private pension systems and the enhancement and protection of the rights of vulnerable adults.

# 1430

I would now like to say a few words about the Ontario Advisory Council on Senior Citizens. The council addresses major issues of concern to seniors and advises the government on appropriate courses of action. The council also responds to requests from me for information on specific issues.

The council is now studying three priority issues: palliative care, home equity conversion, or reversed mortgages, and aging in small rural communities. I am pleased that Bill Hughes, the advisory council vice-chair, is here to answer any questions the committee may have about the purpose and role of the advisory council.

The Office for Senior Citizens' Affairs serves as an advocate for seniors in the public forum. This role underlies the second theme in the mandate of the office: promoting recognition of seniors' contributions to society. We are determined to break down outdated stereotypes about the elderly and to convey an active image of the achievements and potential of today's generation of seniors. The fact is that 92% of seniors are living active and independent lives in the community. We must make every effort to tap the talents, resources and wisdom of this group.

The annual proclamation of June as Senior Citizens' Month not only provides an opportunity to recognize the enormous potential we have in our seniors' population, but also provides an umbrella for celebrations of age around the province. A highlight last year was an exciting concert series planned, promoted and performed by older adults in 17 locations throughout Ontario. This initiative put the spotlight on the leadership qualities, management abilities and creative talent of Ontario seniors.

Each June the government presents the annual Senior Achievement Awards in a special ceremony at Queen's Park. These awards honour outstanding seniors who, after age 65, have made significant contributions to their communities. Any person or organization may nominate seniors

for this distinction. The closing date for nominations for this year's awards is 2 April.

The third direction in our mandate is to foster the independence and participation of seniors. This is the primary goal of almost everything we do. It also is the reason for a specific program, the access fund we operate jointly with the Office for Disabled Persons.

This fund provides grants to non-profit organizations to make their meeting places more accessible to disabled persons and seniors. The program shares the cost of such renovations as wheelchair ramps, visual alert systems for persons with hearing impairment, and braille and other tactile features for those who are visually impaired.

In December I was pleased to announce special access fund grants of nearly \$1.2 million to 39 projects across the province. This allocation is part of the government's \$700-million commitment to public infrastructure renewal, as announced in the Treasurer's economic statement. Also in December we awarded 16 grants worth more than \$400,000 from the regular access fund budget.

All these projects, in communities from Nepean and Picton to Dryden and Sault Ste Marie, address two crucial challenges. By creating jobs, we counter some of the hardships of the recession, and by improving facilities, we enable senior citizens and people with disabilities to share more fully in community life.

Our fourth major direction also addresses the challenge of fostering seniors' independence. With the help of more than 60 leading experts from the private and service sectors, we develop and distribute educational resources and programs designed to overcome barriers to participation in community life. We offer some 75 videos, 35 publications and five workshop series to sensitize communities, organizations, businesses and professions to the needs of seniors. The resulting educational products are of the highest quality and have strongly influenced public attitudes. In the past three months alone we have held 33 workshops and responded to requests for 48,000 publications.

Let me give you a few examples of the type of resources being developed in this area. In October we launched the Good Neighbours program province-wide. Good Neighbours is a public awareness campaign to encourage residents of neighbourhoods to reach out and help one another, especially frail, lonely or isolated seniors.

Partnership is the key to the success of this program, as it is with all our resource materials. Three corporate sponsors, the Royal Bank of Canada, Shoppers Drug Mart and Today's Seniors magazine, have donated funds to assist with the purchase of promotional materials. At the community level the Royal Bank branches and Shoppers Drug Mart stores are working with the local communities in launching the Good Neighbours program and providing ongoing support.

The program responds to the need for informal support networks to complement organized and professional services. The lives of many seniors can be improved and their independence preserved by little things, like a neighbour who checks, high school students who shovel snow or a bank teller who takes a little extra time to explain. Another effective example of our educational resources is the Through Other Eyes workshop which has been offered to police forces, transit systems, retail chains, nursing homes and other institutions. In this simulation exercise participants experience at first hand how declining vision, hearing and physical strength affect seniors' lives.

The Through Other Eyes program often gets quick results, leading to simple but meaningful changes that make goods and services more accessible. Stores, for example, have made price tags larger, improved shelf placement, installed chairs for resting and encourage their employees to be courteous to older customers. In all, we are offering 100 of these workshops this fiscal year.

As a final example, we have just approved 20 more volunteer management training workshops to be held by the end of March. Volunteers are an irreplaceable human resource in our community support network.

The aim of these workshops is to maximize the volunteer contribution and reduce the attrition rate among volunteers. At these sessions co-ordinators and managers learn how to recruit, train and place volunteers in their organizations in ways that contribute to satisfaction and long-term participation. All these prevention and community development initiatives reflect the enabling role of the Office for Senior Citizens' Affairs. We are also providing leadership and tools to equip all sectors of society to meet seniors' needs.

A major barrier to seniors' independence is lack of awareness of existing services. We address this in our fifth priority area, our central information and referral service, which has just undergone a major expansion. We now have province-wide toll-free phone lines in operation, staffed in part by senior citizens. We are making it easier for seniors, their families and care givers to find out about available programs and services and obtain answers to their questions.

We have been receiving some 1,500 calls a month with questions on financial matters and health insurance, which are the most frequent. For the first time ever, this provincial inquiry service is now being promoted through a public awareness effort. We have prepared a brochure of the toll-free line and other services. A million copies are now being distributed through some 12,000 outlets. This campaign is expected to generate a substantial increase in the volume of calls.

Our office also produces a range of publications for seniors. These include the popular Guide for Senior Citizens, which describes health, community, social service, education, recreation and pension programs for seniors. It is available in several languages, audio cassette and braille.

We are gearing up for a stronger effort to improve access to seniors services by Ontario's multicultural groups in the next fiscal year. Building on the approach of the highly successful cultural interpreter service of the citizenship development branch, we will be sponsoring a series of community seminars to link professionals and community leaders closer to the seniors they serve.

These workshops will address some of the difficulties ethnocultural seniors have in obtaining services, for example, helping to educate them about the availability of appropriate services and providing information on how services can be accessed once needs have been identified.

Finally, the sixth direction in our mandate is support for research on issues affecting seniors. A major research priority is elder abuse. A recent national study concluded that a minimum of 4% of Canadian seniors living at home are victims of abuse in one form or another. They are physically assaulted, financially exploited, psychologically intimidated or neglected. This is a problem that has been hidden far too long. We must now bring elder mistreatment into the open and confront it head on.

## 1440

I recently participated in the first national conference on elder abuse held in Toronto last month. I was encouraged to see the interest and commitment of the participants. We in the government see the Lightman commission and the advocacy initiatives I mentioned earlier as crucial steps in the prevention of elder abuse. We must also deal with the challenge of treating elder abuse cases. We must find better ways of helping victims and their families.

As a start, the Office for Senior Citizens' Affairs has commissioned a province-wide review of community responses to elder abuse. In carrying out this study consultants have held focus groups, interviewed key people, surveyed organizations, visited five Ontario communities and examined the experience of other jurisdictions. We expect to release their report in March.

This study shows that despite the lack of formal programs and procedures, community organizations and agencies on their own initiative are beginning to address elder abuse across Ontario. The study also uncovers the barriers standing in the way of a more effective response.

One of the foremost needs is to provide more support for family members, friends, neighbours and volunteers who provide an estimated 90% of care and assistance to individuals with functional dependencies. Informal care givers face a demanding and at times frustrating task. They need and deserve our help. That is why, when discussing the future of long-term care in this province, the issue of how to best provide help for the care giver must be an integral part of the reform process.

This research report will be invaluable both to the government and communities as we plan further action. Let me add that in the coming year we plan to supplement this data with a survey in specific ethnocultural communities on elder abuse and the response of service agencies.

That completes a brief sketch of the recent achievements and ongoing work of the Office for Senior Citizens' Affairs.

In conclusion, let me quote again from the United Nations action plan on aging, which observes: "All too often, old age is an age of no consent. Decisions affecting aging citizens are frequently made without the participation of the citizens themselves."

Guaranteeing the rights, independence and participation of seniors is our overriding goal. I am looking forward to a constructive dialogue with the committee members on how we can best achieve this vision we share. The Vice-Chair: Thank you, Minister. Your opening remarks were 35 minutes, so we go to the critic for the official opposition who may have equal time, if he so wishes. Mr Mahoney.

Mr Mahoney: I probably will not need quite as much time because I think we would all like to get into questions as soon as possible to find out some of the answers to the specific directions the minister has talked about. Thank you, Minister, for your overview of your ministry's work, and I wish you well with implementing a very difficult task of trying to really, as a bottom line, increase the dignity and the comfort level of our senior citizens.

I have often believed, and in having travelled to other parts of the world have noticed, the differences between Canadian society and other societies where senior citizens are really elevated in many parts of the world to a position of proper stature. We in North America perhaps tend to want to find a place to put mom or dad and get them out of our hair, which is really inappropriate and certainly not constructive. I really believe that a very true measure of society is how we treat our young people in the form of them being an asset, but it is also how we recognize our seniors, they being probably our most precious resource and most untapped resource I might add.

There are a number of issues of concern. I would point out of course that as you have mentioned, your government appears to be adopting the philosophy laid out in A New Agenda set by the previous government and I applaud that. It was very clearly and in a very nonpartisan way back in about 1985 when the ministry was created, a major step in the direction of seniors in this province, to create an office that would pay attention to their concerns and a step that I am pleased to see, with naturally some reservations and some concerns, this government is going to follow.

That major step of course led to the previous government spending in excess of \$2 billion a year in the area of senior citizens' services and in various areas whether it is nursing homes, beds for nursing homes, chronic care beds, community services. The concept of allowing seniors to remain in their homes as long as possible I think is a concept that many of us share. It is something—I know the Chair would agree with our past municipal experience and our dealings with seniors at a very local level—that I think is vitally important because we have all seen many tragic stories where people have had to lose their homes for various reasons or they incapable of getting a level of service to stay in their homes, be it even Meals on Wheels or as basic a service as that, or some form of in-home care that was not available.

I am pleased that we at least in the last five years leave a bit of a legacy in the area of increasing that level of service to senior citizens. As I said, I am pleased to see that you recognize that and that you indeed have expanded in your speech, I believe, on the mandate laid out under A New Agenda. I do not have right in front of me the exact words, but we will get to that perhaps during question period. I really think that the issue of senior citizens and their care is very much a nonpartisan issue. It is an issue

that we as a society must recognize and work very hard and co-operatively on.

In as positive a light as possible, I would perhaps take a little bit of exception however to the comments with regard to the Strategies for Change. I was delighted to see that the honourable minister, Mrs Akande, commented in Hansard, and I quote: "We agree with the intent of the proposed reform and agree that reform is needed. We accept many of the recommendations, question some and require further consultation on others." So there was a little more of a positive approach coming from the Minister of Community and Social Services that I was pleased to see.

Of course you will recognize that while Strategies for Change was introduced by the previous government in May 1990, on the statement that there were many groups upset because they did not have an opportunity to consult, the fact of the matter is that a little minor detail like an election got in the way of much of that consultation. You will know, and if you do not I am sure your staff could advise you, that the advisory group was established with membership drawn from across the province and that some of the consultation to discuss local planning and implementation of the reform was held in the fall of 1990, and it was certainly anticipated that further discussions would take place.

There was never, and I would hope you would not be implying that there ever was, any attempt to simply foist programs in areas where local consultation would not take place. That clearly was the agenda and the long-range plan of the government.

But I do not want to spend a lot of time defending the past, except to say that I think the record speaks for itself in the areas of the creation of the ministry in 1985 and the funding programs that have gone on. Many of the attitudes and social changes that have taken place are indeed a result of the previous government.

Perhaps I missed it, but I did not see any reference to mandatory retirement or age discrimination in the statement. I heard a lot about pay equity and employment equity, presumably in their earlier years when they are working to allow them to avoid the poverty cycle. That is a laudable approach, but we are dealing with issues that concern people who have attained senior citizen stature at this time, such as mandatory retirement. In fact I go back to a question that Alvin Curling, along with myself, asked you in the Legislature with regard to the government's position and, with respect, we heard that there was more study involved in the process.

1450

I have no difficulty with the necessity of a new government to study an issue. I have no difficulty with the necessity of a new minister to become fully aware. I suspect if you had been asked prior to the election if you would be senior citizen's minister, you might not have answered. You might have said yes, but on the other hand you might not have, and therefore should be allotted a respectable period of time to get up to speed, and I appreciate that.

I am just a little concerned, though, that when we have the meter ticking literally in the lives of millions of senior citizens around the province, by the time we study it, it may no longer be a problem to those individuals. I am a little concerned that perhaps your very competent staff in the ministry would be able to advise you on areas where, whether it is extended care or the issue of co-op payments, whatever the issue is, you could perhaps get a little quicker grasp of many of the issues that I consider urgent as the critic for your ministry.

Frankly, the issue of mandatory retirement is one that I think is extremely important, that people know where this government stands. Yet what we really have been told is that we are going to do some interministerial dialogue and we are going to sit down and talk. When we get to question period on this, I would like you to tell us where the government stands and what position you are going to take, and I hope that it is not one of just continually—I believe the Premier was even quoted as saying that he cannot afford the luxury of a private opinion on the matter. I do not know that any Premier would be asked for a private opinion. We would like to know the government opinion and the government position on a matter like that.

One of the other aspects that concerns me greatly—again without more or less opening statements and without getting into the details of cutbacks and corporate services and other areas in the estimates—is that I am more concerned about certain conflicts.

There is a very real problem brewing in the communities in this area of transportation, the area of other Transhelp services that are provided through regional municipalities and in co-operation with the taxi industry in providing handicapped vehicles, and again there are programs started by and funded by previous governments, but we now have a conflict.

I had a lady contact me who has an advanced case of multiple sclerosis. She is not a senior but she is confined to a wheelchair, and her concern is that there are healthy seniors, she claims to me, using the Transhelp services thereby causing her to be a shut-in. Minister, in your position representing both those sectors in your role in cabinet, you would appear to have a real conflict in attempting to resolve that particular problem.

As to whether or not it is true, I have not been able to fully substantiate it, except to say that this particular individual is indeed shut in, is indeed a captive of her own apartment in the west end of Toronto and is unable to get out because the Transhelp services in that part of the community are telling her that they are full, that they have got to go here and have got to go there, and are telling her that senior citizens who are otherwise healthy are using the facility.

Obviously we have to provide a service for seniors to get out and about in the community to enjoy shopping and the amenities and provide other good public transportation for those seniors who are healthy enough to use the standard public transportation, but also we have to provide additional support in the area of Transhelp. I think it is extremely critical, and the last thing we would want to do is have a handicapped community pitted against a senior citizens' community, feeling one was stealing services away from the other.

I think that is a very real concern. I have talked to regional chairpeople about the issue who are quite concerned that the support is not there, and once again it is their concern that perhaps too much time will be taken to analyse and study and consult on an issue when really the solution is quite apparent.

I guess the real fear is the danger of dealing too much in philosophies and not getting down to pragmatic solutions. It is very easy for all of us to go on at great length about how wonderful our seniors are and how important. Words like "dignity" and "retire with dignity" are ones that one of your colleagues has used, and that type of thing, but when you get down to the hard provision of services, these folks want an opportunity to be able to continue to lead a normal, productive life in their society. They want to be active producers in the community and indeed are quite capable of being that if they get some direction and some assistance from an advocacy ministry such as yours.

I have not seen the details, of course, of the numerous pieces of legislation that you referred to in your opening remarks, but I will be looking for detailed answers. I am a little concerned off the top that your ministry does not get so bogged down in the legislation and attempting to bring new pieces of legislation through the process that we are unable to accomplish anything substantive. I would ask that you seriously look at what areas can be dealt with either by regulation or by co-operative changes with perhaps the other delivery agencies in a community, be it a regional government or a local municipal or be it some form of self-help group or other agency, either for-profit or not-for-profit, that are providing services to our seniors.

It is not to say that I am just blindly criticizing legislation. It may well be that legislation is something we, as a party, will end up supporting, putting forth amendments and changes as we go through that process, but I am sure you know, from having at least viewed the process at Queen's Park over a number of years, that legislation is very tedious and can indeed bog down. The clock is ticking for many of our senior citizens and I think that time is of the essence. If there are other alternatives with which to deal with many of these issues, then I would strongly encourage you to look at those other alternatives, be they regulations or whatever.

I did not also notice any response to the AMO position. I know there has been consultation and dialogue with the Association of Municipalities of Ontario. I think one of the problems we have in society is we perhaps limit the scope of who we consider stakeholders on issues such as dealing with senior citizens' affairs. Certainly AMO would be a major stakeholder in my view, and would be someone I would hope you would consult with on an ongoing basis. I will not ask you the question but just simply serve notice that I have a question that deals with their suggestions, and would hope that you could give us some response on your ministry's position with regard to the Association of Municipalities of Ontario.

Minister, you have a big job. I guess you have the largest title in the cabinet and probably an extensive budget for business cards and things of that nature. But I wonder at the fact that so many things have been put on your plate,

if that is appropriate, if it perhaps diminishes in some way, because of the broad scope of the responsibilities, the fact that you have to fight at the cabinet table on the one hand for the disabled, on another hand for the seniors, on another hand for race relations and human rights.

Of course they are related in many instances, but I also have some concern that not enough focus will be placed on the issue of senior citizens and their concerns. As you well know, while we may have senior citizens who are actively involved in human rights issues, many of our seniors are disabled, so there is a tie there, but on the other hand, we have many who are involved with neither of those situations. I would just be concerned that your ability to deal with the severity of the issues as they relate to senior citizens has been watered down to the point that you will have difficulty concentrating on one or the other of those particular issues.

### 1500

I express that not in an overly negative way, but in a way that would ask that your people in the ministry come up with a plan that allows you to concentrate and put forward a vision, put forward some concepts that frankly are not simply—I mean, while I appreciate the fact that you are carrying on the former government's agenda in this, I think that many people would like to see on your government's agenda, whether it was stipulated in An Agenda for People or not, those particular concepts and promises and ideas put forward.

I think your opening statement does recognize the numerous issues involved in senior citizens' affairs and concerns. We have of course, on a bit of a parochial level, a very active seniors group in our own community which we meet with on a regular basis. Margaret and I go dancing and go to dinner there quite often.

Mr Daigeler: Who is the senior?

Mr Mahoney: No, neither one of us is the senior, but they do invite us there.

Mr Daigeler: You act like one sometimes.

Mr Mahoney: Well, some of the times perhaps I get a little carried away.

But the vitality of the senior citizens in all our communities, from Kenora to Ottawa and right across the province, is such that I just get a little concerned when I see some of the statements that were almost being paternalistic in a reverse sort of way. We need not be that way. These folks are very eager to participate in society, and statements like "foster the independence and participation of seniors" smacks of paternalism and just gives me some concern that you might be looking at it in that regard.

The main principle, of course, in A New Agenda, "to improve the quality of life for seniors both in the community and in care facilities," I note that you have endorsed that. It is a principle that needs to be endorsed by all three parties in the Legislature, but it is one that we need some action on. We need to see that this government, with all its good intent and its promises and its philosophical bent towards helping people in the community, is prepared to take some action, to not simply continue to study things to death.

It is perhaps unfair in two or three or four months to expect things to take off from your perspective. But it is well past that time now, and I think it is time for us to be asking the hard questions of you and, as critics, to be motivating you whenever we can to put forward positive suggestions that the people are going to see as very real and to get on with indeed creating a society where senior citizens are thought of as our most precious resource, to use them as much as we can and to further the good parts of this great province.

I have numerous questions, as I am sure my colleagues do, Madam Chair. Rather than just carry on in a general sense I would like to get focused on some of the questions that I know will hopefully lead to answers and to action by this ministry.

Might I say in my first opportunity to publicly talk to you as the new minister, as the critic for the Liberal Party, I do wish you well in your job. I think it is a major undertaking and one in which the role of critic need not necessarily be totally negative. But I can also assure you that we are anxious to see action; we are anxious to see good things that we can all take out to our community.

I think my colleague Mrs McLeod has some comment she would like to add. That is the time I require for my opening remarks and I look forward to the question period.

The Vice-Chair: There are about eight minutes left for Mrs McLeod.

Mrs McLeod: I just want to add a very few words to the opening comments of our critic in relationship specifically to long-term care reform from the perspective of the critic for Community and Social Services. I do want to express a certain amount of surprise and concern with the statement on the bottom of page 6: "With the ministries of Health and Community and Social Services assuming the lead responsibility for this reform, the focus of the Office for Senior Citizens' Affairs turned to public education, communication and advocacy within government."

My concern was the hope that that does not mean the Office for Senior Citizens' Affairs or you as minister would be in any way stepping back from a continued advocacy role in the area of long-term care reform, since that clearly has such major implications for seniors. I was reassured as I got on to page 13 that that in fact would not be the case, that you were continuing to play a very active role with your colleagues in both Health and Community and Social Services and continuing in an advocacy role in the area of long-term care reform.

I had a little note, a further concern, though, about the weekly meetings of the three ministers, and I certainly think an interministerial approach is very much needed in this regard. The concern that that particular statement raised in my mind was that it sounded a little bit like the reverse of 11 men in the room, which has certain connotations that are to be avoided.

I would trust that any planning that is done in terms of a revised direction for strategies for change in long-term care reform is very much based upon the results of the consultation which has taken place to date and is not the result of senior levels of government, even at the ministerial level, putting their heads together to determine what should be done next.

I very much take to heart the earlier comments about the concerns in relationship to the consultation process prior to strategies for change being put forward by our government. I think, with my own particular beliefs about process, as we look back retrospectively on that, the concern that I have heard expressed is that there was not more consultation before the white paper itself was released. I think that is a fair comment that people are making.

In some measure of defence, because I was a part of the government that brought that paper out, I think that the proposals were based on a sense of an urgent need to respond to some very long-standing concerns and that there was a great deal of excitement about some truly different, innovative approaches to dealing with those concerns.

It should not be a surprise that it was somewhat less than specific in its implementation details because it was intended to be a conceptual framework and the details of implementation were to be developed as the consultation process and the local and regional planning evolved. Certainly that kind of specificity was to be added through a very intensive process of consultation.

I would go back to page 12 of your comments, where it sounded as though, in examining the needs of seniors in the community and assessing long-term care in a more holistic manner, it was almost as if you were feeling that you needed to reinvent the whole process of looking at the need for reform in the long-term care area. I trust that that is not the case.

As I have read some of the consultation documents that have been shared with me as critic, there is that question raised about the original consultation process and there are some concerns identified with the directions, and we will want to explore those in our questions. But there is also consistently a great deal of positive support for many of those initiatives. I do not think you want to step back from the progress that has already been made. I think you will want to build on that foundation, address the concerns, but take the agenda forward without having to reinvent many of the concepts that were put forward for consideration in that particular paper.

I too look forward to the discussions and to having some specific responses to you in some of these areas.

The Vice-Chair: Thank you, Mrs McLeod and Mr Mahoney. I guess Mr Mahoney and I get invited out by the seniors and we are such a big hit there because we are fast approaching their generation.

Mr Mahoney: They have a couple of chairs set aside for us.

The Vice-Chair: But we certainly are very popular in Mississauga with the seniors and we love them too.

The next speaker is Mr Jackson, the spokesperson for the PCs.

Mr Jackson: I would just at the outset indicate that I am struck by what was said at our annual seniors seminar, which is attended by some 550 to 600 seniors every year. Our guest speaker this last year was Dr Robert McClure, and his opening line was: "I am so delighted to be invited

to talk to you about seniors' matters, because some day I hope to be one." Of course, Dr McClure is 91 years old. But it is very much an attitudinal thing for our most dynamic seniors in this province.

1510

I would like to comment in a general way, first of all, to commend the minister for her election victory, to welcome her to Queen's Park in a more official way, to congratulate her on her appointment, which, as Mr Mahoney alluded to, seems to be a never-ending story. But I do know of her background and am pleased that the Premier has seen fit, at least with respect to seniors, to assign her that responsibility because of her background with seniors in the Metropolitan Toronto area.

Having said that, though, I think it is fair to say that it is a tribute to the former government that it was so concerned about making seniors a priority that it did assign a single minister to the responsibility. As such it spoke—at least in this building; it may not as a public perception—in this building it means it is a priority for the government of the day.

The minister would be aware that she has many challenges with the many offices she may run back and forth to. I know that I have been on record as asking a very delicate question of ministers who wear two, three and, in some instances, four ministerial hats, that is, just to share with this committee how much time you spend at each. Those previous ministers who have answered the question have come up with some major revelations with respect to how much time they actually are spending. There is just so much time to go around.

That division is an important issue, because where the government sees fit to divide the responsibilities of seniors, it tends to, in its policies, divide its emphasis as well. Although that might be an unfair thesis for me to advance at this time, I think it is fair, when I look at the minister's 35-minute, prepared presentation. I can support some of that thesis when I look to your own comments.

I would raise for example this whole notion that—first of all, I should recognize the Kennedyesque statement that appeared in your throne speech which I am not so sure is appropriate for seniors. I very much see it as the reverse: I very much see the struggles, the trials, the tribulations that seniors make. If I were asked to pick a quote, I would, in my own personal reverence for oriental thought, paraphrase an old Zen proverb, which says that a true measure of a society's quality is in the manner in which it treats its seniors. It becomes the singular hallmark in oriental thought. Mr Mahoney has made a brief reference to that as well.

However, the Premier has seen fit to state that, and I can imagine that in these recessionary times it has more to do with "It's all for one and one for all" in this belt-tightening exercise on the road to improving the life of all Ontario citizens. However, the throne speech, which has been alluded to first by you, was also deficient, according to some critics, in the areas of health and senior citizens. Perhaps people had legitimate anticipations. After all, An Agenda for People talked about a reform of rest and retirement home regulations. It talked about \$62 million to expand

the integrated homemaker program. Yet nowhere in the throne speech is there a clearly enunciated approach to seniors.

We have seen those in previous throne speeches, and again, in fairness to the former government, it made very clear and specific commitments in the area of health care. Again, I guess your statements today concern me in that they are very careful to devote no more than a single page to the issues of health care. There is nothing that really strikes more to the issue of quality of life and dignity than the issue of senior citizens' sense of wellness, their ability to access medically necessary services.

These are issues I will raise during the course of the estimates in terms of what your directorate is doing in terms of advocacy and your role in terms of the approach of your government in terms of advocating for these needs,

because if not you, Minister, then who?

I always am pleased to draw an analogy. We have just gone through an experience with the Ministry of Community and Social Services estimates, and we received not very good news about specific senior-based programs. I am sure the staff who were here reported to your ministry, which was coming up a week later, that series after series of questions were asked about access to seniors programs and the minister said: "We are looking at it, but there are no new moneys. We cannot promise you anything."

I always think of the Minister without Portfolio responsible for women's issues, a woman whose political statements I admire very much, who has indicated, quite contrary to the Minister of Community and Social Services, that there shall be additional funding for women, for example, for abuse shelters in this province, or heads will roll. That is the partial quote that I read in the paper. Yet the minister responsible for the funding has said: "No, we are not looking at a new funding formula. We are not able to talk to you about expansion at this time."

I see in her the essence of a real advocate, because she is prepared to go one step beyond and say: "These issues are worth fighting for. These are issues I believe in." So I am hopeful that you will approach your ministry. But, I mean, this is your ministry. It is your personality and your approach will be your own. I can only suggest to you, speaking on behalf of seniors, that they are more vulnerable than we care to admit, and we therefore must be more vocal and more tenacious in our approach to fight for their legitimate right to access to certain programs.

I do not wish to dwell too much longer on your statements. I think it is very clear that, if you are going to talk about income security for seniors, you have legitimate questions yourself about the government's commitment to the Social Assistance Review Committee recommendations and getting them on track. There was another election promise. We do not know if that will be fulfilled or not, but I certainly believe that that should be supported, as I do reform for access to more affordable accommodation, which I consider one of the larger issues for senior citizens. It was not mentioned extensively in your comments, but during the questioning I am sure you have many things you would like to share with us on that.

The examination of food banks in this province will tell you that one of their fastest-growing client groups is seniors and that, at least from experience in the food banks that I work directly with in my riding, I have some additional concerns about the fact that our seniors are returning. It is not in their nature to seek out charity; it is not in their nature to admit that they need to be helped. They distinguish themselves in our society here in Ontario very much on that basis, and we may never know how serious the real need is for many of them in the privacy of their own accommodation.

I want to talk about this whole issue of long-term care, and start in support of the comments by the former government. I am concerned about your statements—I believe they are on page 13—which indicate that you see a lot of vagaries, and perhaps a lack of focus, unresolved issues and unexplained omissions contained in Strategies for Change. I want to echo their concerns that I hope that you are not reconstituting some already very good things that are happening and suggesting that we need to study them further, because I can assure you that there are some serious issues involved in long-term care in this province and they must be dealt with.

The most serious is that we are reducing access to institutional beds in this province at an alarming rate, that in community after community there are absolutely no beds available. Yet we indicate, even in your own statements, something to the effect that "overall growth of Ontario long-term care facilities is not envisaged in the immediate future." There are going to be some serious consequence to that.

1520

Let me say that the Minister for Community and Social Services had to come to that realization in a somewhat embarrassing way, because when she presented her estimates she only showed a bed reduction of several hundred beds, but that was on beds that were available. When we incited the staff to give us the real number of beds available to seniors in this province we found we were closing in on 2,000 fewer beds in the last six to seven years which have been removed or are unavailable. They are not funded.

Yet you can go into Halton Centennial Manor and you will see that the male wards and the couples wards have been shut down, that they have no new admissions. There is no place, for people who do not have the funds to go into a nursing home, for them to go except to stay in the circumstances they find themselves in.

Those blockages that are acute today are going to be much worse two, three and fours years from now. I seriously question why you cannot build on the existing discussions that have gone on, expand your terms of reference.

I notice that the Ontario Advisory Council on Senior Citizens in its report indicates that it has met with the long-term care task force twice in the previous year. I would ask you simply why it is that you have not included at least one member from the advisory committee to sit in on those discussions, to participate in those discussions, especially in light of your comments that your role is

somehow being redefined as educational advocacy and perhaps review.

I believe you should be at the table pitching for these issues, because in the interviews I have had with some of the personnel who are operating the 14 new offices to implement long-term care reform they have already indicated in a sense that their priorities are already shifting. Disabled and seniors, somehow they are off to, "Maybe six months to a year from now we will get around to dealing with them," but the immediate access to the envelope funds is going to be concentrated in other areas.

If in fact that is the experience out there, and I will give the benefit of the doubt that it may not be, then I think it is more important that we have seniors on the advisory committee who are analysing that, and who are saying to you and reporting to you, "Minister, we are not getting our fair

shake of that envelope of dollars."

Long-term care is a very complex issue, and I do not wish to dwell on it in my opening comments but simply to say that we have been struggling in this province for 25 years to reconcile the dual-headed monster of Health and Comsoc and the delivery of these services, and I wish your government well. I will support you in that, as I indicated to the previous government. But some of the best people in the province, à la former Treasurer Nixon, have tried and this is as close as they got. So you will get a lot of support from us in order to achieve that reality.

The other dual-headed monster is the two delivery systems between the commercial and the municipal non-profit co-operative homes for the aged. Obviously, there is some dichotomy there in terms of funding, and I will want to ask you some specific questions about that. But I certainly have read the report of Price Waterhouse and I am familiar with the presentations of this government before the courts and/or the Martha-Mary campaign, which I know you, Minister, are quite familiar with. In fact, there is not a difference in terms of the services provided but there is a difference in the services that we will fund, and in that there is discrimination, a class system to which we contribute unless we resolve this.

As you know—you understand the issues of seniors as well as I do, I believe—the acuity rate tends to change very rapidly for senior citizens, and once you become locked into an institutional setting your mobility is reduced but your needs increase. We are limited as a government and a society in terms of addressing those needs unless we make some tough decisions and we move quickly with the resources and the leadership that is required. I do not believe we have to continue to study the matter ad nauseam.

On the issue of abuse, I will want to ask you during the questioning some very specific questions about the manner in which we fund Alzheimer's patients in either of the two types of facilities.

I have recently gone through a most painful experience. I act as probably the only family member to my scout master, whose Alzheimer's has necessitated the placing of him in a psychiatric ward behind bars. It is probably one of the most painful realizations I have had in years, but that is the system we have in this province, and that is unacceptable. Ontario is not the place we all think it is.

You know, Minister, that a lot of seniors are placed in that position in this province, yet our answers generally come to the point of, "We really don't have the moneys or the funding." How can we talk of dignity and respect for these our most vulnerable adults? I will come back to that.

I want to assure you, Minister, that when the Minister of Health says that more money is not the solution to health care problems, and knowing how socialized medicine has worked throughout the world, it inevitably and invariably results in the reduction of access for senior citizens to medically necessary treatments.

This exists in Ontario today. It exists with coronary transplants; it exists with certain types of surgery. We all have had examples. Recently, I had a dialysis patient be told by his hospital: "After all, you are 83. What do you really expect from the health care system?" Well, he has gotten another year of life because of another hospital. I will tell you, it was a Catholic hospital. They said, "We don't have a philosophy that discriminates on your age," and that is encouraging. But will we always have that Catholic hospital which has a funding mechanism which will allow it to continue with that ethos and that approach, which is blind to the age of the person who comes through the emergency department requiring help and support?

Yet we know that is a feature to a greater extent in neighbouring provinces which have had to deal with this reality, and nowhere do I see us commenting, nowhere do I see that within your own sense of your ministry this is something you are watching for and that you want to make it abundantly clear to the new Minister of Health, with her obvious challenges.

I hope we will talk more in detail about the integrated homemaker service. We know from our questions to the Minister of Community and Social Services that she is not anticipating any expansion in spite of the election promises by her leader, or that we would have a more efficient and more sensitive system to integrate the Red Cross homemakers and the Victorian Order of Nurses home care programs, because in those communities that are not on an integrated basis there are some access problems.

I want to commend you for your health services consent act reference, although, in fairness, when you mention Mr Warner and his work, I am sure you will not disagree that Mr Sterling in our caucus has done considerable legal research and North American research in order to help your government come to a position with this.

Substitute decision making: You know I was concerned that the Weisstub report was not being made public. I have had a chance to look at it and I know there are some very delicate matters in there. But again, I do not believe the answer is in studying it any further. It is an area that had not been studied for many years, but I would hope that your government comes forward soon, and you could look to us for support in that area.

1530

Respite and palliative care: I am concerned about the whole issue of respite care, and it references my long-term care reform concerns. I have identified that the number of beds available to the citizens in this province is declining at a very rapid rate. For that reason we have bed blocking—

we know that exists—and the former government had a co-ordination service it developed. It was to their credit that a placement co-ordination service was established in major centres, and I commended them for that. However, as the total number of beds declines so dramatically in this province, it is important that we realize that there just are not the beds to free up for respite care. So we have pressure on institutions, whether they are homes for the aged or hospitals, where we can find respite beds. We cannot even go to nursing homes, which are taking disabled adults, and we cannot find placement for them to move them out. These families in increasing numbers are taking care of their spouses or relatives at older age.

A model 15 years ago was this wonderful nuclear family, that somehow grandma, who needed a little support, could keep her own little apartment downstairs. But what we are now seeing is a very dramatic shift to a 70-year-old woman taking care of an 82-year-old man. Those are two entirely different challenges and they are creating two entirely different types of pressures. We are degenerating the health of the woman who is caring for another person. As you know, outside of certain communities there is not even

access to home support.

We have to set some priorities in order to help those kinds of people, and I am not seeing that in terms of mandates. More important, the whole issue of respite becomes an emergency. I am dealing with cases of people—the wife is beating the husband into the hospital because she has had a nervous breakdown. That is not a system which we can call, in wonderful italics, community-based home care, which is the way to go for the future. We are aiding and abetting the degenerative affects on the entire family but we are burning out the care giver, and that is indefensible.

Assistive devices: I hope we will be able to have some time to discuss this. You do wear two hats in this area, and it should prove an interesting discussion. I think assistive devices presents itself as an excellent opportunity since you are involved with the two ministries. Seniors come to me in increasing numbers dealing with basic dignity issues, colostomy, incontinence products they have to pay for; and, if they are in an institution where the institution does not pay for it, that comes out of their supportive allowance, and the supportive allowance has only been increased once in the last eight years, I think. There are a lot of issues here.

Generally, seniors are asking questions about why certain assistive devices they do not have access to, yet a family with its baby bonus and its other benefits has access to all these simply because the person is under the age of 26. Perhaps we would be able to have a discussion on that.

I wanted to raise, when the time is appropriate, the access fund. I am pleased, first of all, that you are one of the ministers the Treasurer told how much money they are getting, because we asked Mrs Akande and she did not know how much money out of the \$700 million she was getting; it seems the other ministers know how much they are getting. So I am pleased you referenced it and I am pleased that it is going to the access fund.

However, I did write you a letter on 4 January—forgive me for being so parochial—and I have not received a response to it. I actually requested some time to discuss with you. One of the groups to the access fund apparently got caught in the change of government. You were unable to deal with their file, yet it would have cost them thousands and thousands of dollars to wait to be eligible for the access fund, so they proceeded with construction. This is a church—church money, limited funds. They did not want to go broke. In my letter I suggest to you that it was not your fault that the government changed; it was to your benefit. The Chairman, the member for Mississauga South, indicates she has a similar case, so I would hope you would be sensitive to the manner in which we have represented these; hopefully these estimates might produce an opportunity for you to show just how flexible the new government really is.

Housing: I guess one of the major concerns seniors are starting to express is over their accommodation costs, because it is the fastest-growing cost component to their savings. I will not get into a debate with you on rent control. I disagree with your government's approach. I think a universal program rewards the rich and still does not help the poor, and that is exactly what the Social Assistance Review Committee said, the Association of Municipalities of Ontario, Stuart Thom and just about everybody who deals with poor people. They say that rent control works for middle-income people and the rich but it does not work for the poor, and the fastest-growing group of poor is seniors.

The late Archie Dodds is a person I sort of made semifamous by always referencing the fact that when the former government went into office, he was paying 25% of his total income to his rent, and in five years—the government changed and he passed away, unfortunately, but at that point he was paying close to 80% of his income, and his income had been indexed. Archie was an example of the failure of rent control, and capping his rent today or even rolling it back by 10% is still not going to help hundreds and hundreds of thousands of seniors who need support which is income sensitive. I think I still am the youngest chairman of the housing authority in this province, when I was 23; we very much became aware of the importance of assisting seniors to modest but respectable accommodation that was a function of their income. I certainly would hope that that is an area for you to advocate.

As I read the green paper from the Minister of Housing which was tabled yesterday, even though he indicated it would be a green paper on his government's position on housing generally, it only dealt with the narrow issues of rent control. So we still do not have a housing policy statement from your government, and I certainly will be watching it carefully.

However, there are programs specifically directed towards seniors, and I have written you recently about those. Supported independent living programs: again, the lead ministry is Housing, but I am told that your delivery service for the home-sharing program in Hamilton is the VON, and it has been advised that the Ministry of Housing is cancelling the program. We have some 42 seniors who are home-sharing accommodation with dignity, yet the Ministry of Housing is saying, "Look, we just don't have money and we'll have to cut back the program." Programs

like that may be in jeopardy all across this province, I do not know. I am hoping that you, as minister, will look into it, because it is clearly an issue for seniors as that is the delivery arm.

I will briefly touch on the Lightman commission. The concern I have here is that we are again studying, and I think it was your leader who said at a couple of meetings recently that we do not need to study a lot of these things, we need to get on with it. I happen to believe this is one of them. I believe that for a variety of reasons, but it has been our position for some years, and I have shared this story with Mrs Akande, that it has to do with the bill of rights for nursing home residents, which has something to do with regulating and rights in unregulated institutions, which are in many instances run by the province; homes for the aged, for example.

In 1985, while working on amendments to the Nursing Homes Act, I tabled several amendments. One was to extend the nursing home bill of rights to homes for the aged, and both the NDP and the Liberals voted against that amendment. So I am very hopeful that your party, now in government, will fully support a victims' bill of rights for those residents in homes for the aged.

I take the view, since this province has on only two occasions shut down a for-profit nursing home and a not-for-profit home for the aged, that there is clear evidence that we cannot distinguish that people are inherently safer in one institution or the other. Therefore, the concept of bills of rights and residents' bills of rights is something which I and my party take very strongly, and we certainly would hope that you do not need to study that issue at length, but would be willing to bring forward legislation to make that a reality.

### 1540

I can understand your concerns about the regulations involved, since most of these are municipally based. When I read the Provincial-Municipal Social Services Review report, I see that on long-term care they want to recommend shifting much of the delivery arm and responsibility to the municipality, as well as reduced municipal contribution. The minister would be aware that we are paying 70-30 from the province and that the report recommends 75-25, with giving a little more authority to the municipality.

However, you could reasonably argue that the municipalities would then be responsible for all the regulating, sending in the inspectors, and that comes at local taxpayers' expense. Certainly I hope these are the issues that would get on the table and be discussed early, and not simply talk about the Lightman commission in its more romantic terms about protection. There are also some legitimate financial costs here which your government has to address. Mr Mahoney referenced consultation with AMO in this area. It is almost critical and we would like to certainly ensure that this is ensured.

I have lots more to say and I am afraid I am not going to have time, but we do have the next—

The Vice-Chair: You have about four minutes.

Mr Jackson: We have much more time to have a frank exchange in a question and answer format.

I can only say that support for seniors is something I feel very strongly about, and not only because I have a rather large seniors population in my riding; it is because I consider them far more vulnerable than we wish to discuss or admit. For the last four and a half years, and I think to this day we are the only one that operates this way, we have had a full-time geriatric specialist on our staff in order to deal with the extensive calls.

By listening only and then responding, I have come to appreciate how truly vulnerable they are in this province. I guess I want to reference back to you that when I look at your résumé, I see a person with extensive civic background in work with seniors, and yet I see the Premier of this province handing to you a multifaceted challenge. I wish you well with that great challenge, but I know that I would hope seniors will not just have a soft and warm spot in your heart, but a most vocal role on your advocacy agenda.

The Vice-Chair: I think there was just one omission, and that was from the member for Mississauga South that the minister comment on living wills in her response time. Minister, back to you for half an hour.

Hon Ms Ziemba: Where to start? Thank you both for your comments, and I really want to thank you for sharing with me your concerns, and the fact that you do share my concerns regarding seniors and that it is not a partisan issue. It certainly is an issue that we all should be sharing in a non-partisan way and I thank you for that because I think that will be most helpful. I do not think that as members of the opposition your role of critic is there just to criticize, but it is there to assist and to help and suggest. I certainly will be looking for your suggestions and your help as we try to implement and change and do all the various things that we are doing as a new government.

I do not think that coming from my background, I could sit back and take a passive role. I just have to say that one of the reasons I entered politics was to make a change and that is what I intend to do. One of the hardest things I have had to come to realize in the very short time I have been here is that having been minister on 1 October did not mean I could change it all by 2 October. Quite frankly I would have wanted to do that, but this is a democratic process.

Mr Mahoney, you will understand that we do have to go through that process of the Legislature and all of the various forms of passing legislation and the committee work that needs to be done. I do appreciate that we will do that. I hope that in my comments I did not make you feel—I seemed to get that from you—that there was some sense that we were consulting again. The reason I put in A New Agenda and the reason we talked about initiatives for change in Strategies for Change is that yes, there has been consultative work done out there.

The advisory council has done its job. People have made their suggestions, have made their comments and we should build on that. There is no reason why we cannot do that. The work is there, the background is there and what we want to do is build on it. If we are going to make change, which we are going to do, we should be making

change in a proper and good and equitable way. I did not try to get here for so long that we would make change and then come back here in eight years' time and make change again. Let's do it once and let's do it right.

That is one of the reasons why we are meeting weekly. We are meeting weekly as well because we do feel that seniors are important. If we did not feel they were important, we would not be meeting weekly, but we do feel that they are important, that it is the most important part of our change in our government right now to make sure that we make those changes. So we are meeting weekly and we want to make that change and implement it quickly. So again, weekly meetings it is.

I feel that although the various aspects of my ministry are diverse, they all come together under one ministry very well. Certainly I look at my ministry as a ministry of equity and equality. I have said that many times. I feel that although perhaps they are all brought together, they are not going to be watered down. They certainly have a better chance now of making change and getting things done, because we do not have to worry about consulting and getting too many ministers together. We can do it in a quick and efficient way.

You have brought up a various points and I do not think I am going to be able to address them all, so I am going to welcome all of the questions. I have made extensive notes as you chatted and talked to me about the various things, so I will try to touch on them briefly, but by no means does that mean it is my extensive viewpoint. I could not possibly address all of the issues that you have raised in an extensive way in the 30 minutes, but I will certainly try to touch on them and then we can come back to them during question time.

Mr Jackson very kindly commented on my past background. I did work with seniors. That was my past and I too have faced a lot of family situations. My mother just passed away last week, having suffered from Alzheimer's, so I do know the struggles and I do know what it is like to be a family member with those concerns and problems. The one thing I do know from my work and from my own personal experience is that the services out there for seniors are not equitable, and they are not there.

You talked about respite. We cannot think of respite just in an institution. There can be respite in a community, but unfortunately it is not there for every facet of the community. Certainly Meals on Wheels is not there for everybody in every community. I can just look to Toronto and tell you that in certain parts of Toronto meals are only served six days a week, whereas in the agency I come from, they were served six days a week with a frozen meal for the next day as well, or double-up meals.

In some agencies, yes, you can get respite. Our agency provided respite programs, both in a daytime program and also with people going into the home. But across the street, across the borders, in areas of agencies across the street, a senior could not get the same services at all because he did not come under our catchment area. So yes, the inadequacies are there and long-term reform was supposed to make sure those inadequacies were pushed aside and that equalities

were built and that people would have services across Ontario in an equal and equitable fashion.

We are trying to do that and we are trying to make sure that we do it quickly. You are right. The studies have been there. Mr Mahoney said that we do not need to study any more. We are not trying to study any more; we are just trying to implement those studies in a fast and equitable fashion, but also to make sure that we do it in a proper way. Again, we do not want to just do it in a way that the services are not equitable and are not done in the proper way. They have to be done in a very comprehensive and in a caring fashion.

#### 1550

You talked about the Ministry of Community and Social Services position, and yet when I go to my notes I do see how she talks about extending integrated homemaker services and that there are plans for further expansion. When we finally finish our work in long-term reform, when we finally do take our submission to the cabinet committee and the cabinet itself, I think you will find that many of the questions you have raised will be addressed and that we can implement those services in a quick and equitable fashion.

You talked about transportation. I know too well from my work with seniors that many—I do not think this is a conflict, nor do we have to make it a conflict in my office for disability issues or for the fact that people in the community with disabilities are using Wheel-Trans. There are seniors who might appear not to be in an ill-health situation who need the use of transportation and need that assistance and that help, because of heart or other problems that might not be visible. A lot of disabilities are not visible just by looking at a person.

To get this assistance in transportation is not easy. I used to work in an agency where we spent most of our time trying to convince doctors to write out that little prescription. Cam, you probably know that in your own work in your own riding office. It is not that easy to be able to use the service.

But the service is not proper, and again it needs so much more work and there is so much to do. We have set up a small interministerial committee that is working relatively quickly. We are also working with the Metro transit system and with other Metro-based services to make sure that we look at how we can improve the service and how it can be more flexible, and how it can be more widely used and can be more appropriately delivered. I am sure that we are going to be able to do that without the conflict between the two ministries and I do not see how that would be a conflict. I think it would be an enhancement for the services and it need not be a conflict.

Legislation is being bogged down: You said that we could work towards building regulations and legislation is not needed. Somehow that means shifting responsibility and I not too sure, but I would be interested just to hear your viewpoints on that and to see how we can work that out.

We have met with AMO and one of the things, its main priority and concern when it met with us, was the fact that it was not consulted on long-term care, that it was expected to help us deliver service that was a partnership, but it had not been consulted and was not being consulted and had no way of an input. We have met with them, we have consulted with them and we will continue to do so, because they will play a very important role in our delivery of service and we need their assistance and we need their input and we need their help.

You will see me avoiding the use of words like "partnership." I tend to see us using the word "team," and I continue to use that word "team" rather than "partnership," because it depends on how you build partnership. You can build partnerships in a company and small business where two people can be partners, but go off in opposite directions doing other things and not really working together. But if you work as a team in delivering service, that can work out if everybody is working together.

I am certain that with municipalities, with our clients, with our service deliverers and providers, our community-based agencies, and our various ministries in government, we can work towards providing those services and making sure that equity and equality will certainly go forward.

Again, there seemed to be some mention of having to consult, but that people wanted action. There is a very thin line, and I think you understand that. We do have to consult, but consulting has been done. Action is needed now, but at the same time we also have to make sure that we are not imposing and not overriding people's powers, and make sure that people do have their rights enshrined, so we will continue to cross that thin line so that we are not just inflicting our ideals and our philosophy, but at the same time bringing people in, but at the same time making sure that action is there, because I too want to make sure we get things done.

Having been on the other side and wanting and pushing and saying things had to be done, that the Advocacy Act had to be put in, that the Health Services Consent Act had to be there, going towards area managers and saying, "What's happening along long-term care and why are you not embellishing and enhancing community-based services?" I too want to get that work done and get it done now and move towards correct and decisive action, but at the same time making sure that we listen and hear what people are saying.

I think we can do that, but it is going to be hard and we are going to need your assistance, because as you said this is not—I do not think it is—a partisan issue. We have to make sure that our population, the people who make up, I think, one of the most important parts of our community, are served and served well, and assisted and looked after.

Now there is a healthy component to seniors and I hope you did not take my remarks as being patronizing. I think the people whom we are discussing and talking about helping need that assistance. The other people, and that is the 90% of the population of seniors, manage very well on their own. My grandfather lived until he was 96 and died a year ago and still managed to grow his own tomatoes, and still managed to do his own thing.

I have learned from him that yes, you can have your ideas and live your own life no matter how old you are. It is a matter of attitude, but it also is a matter of health, and

some of us are blessed with good health and some of us are not and that happens throughout our lives.

Health is also related to poverty and we have to address those issues today, about people who live in poverty now, because as they move into the seniors' age, their health deteriorates, obviously, as they grow older, and living in poverty when you are older is much harder than when you are young. We have to make sure that we—why we have introduced rent control. Mr Jackson, you realize that what happened to your friend—I cannot remember—Archie Dodds—certainly happened under rent review and not rent control, and there is a big difference.

That was a big concern of ours, that this not happen to anybody again, because that is true: Nobody should have to pay 80% of their earnings on accommodation or housing. It is very important that we address those issues and that is why we are taking that review.

Also there is the Fair Tax Commission that our government has set up to look into how we address, all through our lives, the paying of taxes, who pays the proper taxes, where taxes are being spent and how we address that.

Mr Jackson: And an enhancement of a seniors' tax bracket?

Hon Ms Ziemba: That is right. Various things are all integral and not one thing can address the issue. As you said, it is a very complicated issue and it is a large issue that has to be addressed at many fronts, and certainly we have to look at all these various things.

You talked about perhaps there were too many aspects of my ministry. I do not think there are enough. I think I can add more to it. I think there is a lot more that has to be done and we have qualified people who can assist us with that. I think that we are going to make sure that we address all those issues.

There are so many things that you talked about that I did not mention, certain things in my opening statement. It ran longer than 30 minutes; it ran 35 and I tend to read fast, so there could have even been more things we could have put in. There are just so many issues and there just is not enough time. I could have probably spent the next four hours, if you had wanted me to, having addressed all of those issues and added all those various things. That is why, I guess, we do have this question period next and we will try to address those issues.

### 1600

But, again, if we do not, if there is not enough time to address all of the issues in this period of time, I am glad that you have written to me and we certainly will have to sit down and talk, and that is what we can do. I think that we can continue to do that and not worry just about questions and answers. This is a team effort. This is work that has to be done, as I say again, on a non-partisan level, and we must all work together.

I am trying to look at my notes to see what I have missed out. We talked a lot about food banks, and I know that when I worked at my agency, 85% of our clients who came under our domain lived below the poverty level. Even \$1.25 for a meal from Meals on Wheels was too much for them. I saw a lot of that and it kept getting

increasingly worse. These are the same people who had many, many health problems because of poverty, and we have to make sure that we address those issues.

Many of those people—approximately 80% of them were female—had lived on very poor-paying jobs, had worked in traditional-type work where there were no pensions. If the women had worked at all, they were in service work in stores, in restaurants, where there were no pension plans. There was also the fact that the wages were low, so throughout their life they did not have the proper health facilities and care that they needed and did not live equitably. Others had not worked because they were housewives. In that era women tended to stay at home, and their husbands' pensions were not transferable. When the husband died, they were left out. There were a lot of issues that I saw on a day-to-day basis that we really, really have to address and we have to look at.

Again I will go back to long-term reform and the vagaries that I thought were not addressed, and perhaps they were not meant to be, but we feel they have to be addressed now, that is, rest and retirement homes, chronic care facilities. That has to be brought in to long-term reform. They are not issues that are outside of the issue; it is much broader than that.

We have to look at including many things under longterm reform that I think will be the basis for a much better and more equitable delivery service, making sure that the foundation is built out there, rather than just trying to build on something that might not be able to hold that whole big structure that we are trying to place on top.

It means looking at this in a little different way, but not necessarily—we are looking at a lot of philosophical changes too. Obviously, we do have some different philosophies that might not be the same as other forms of government. We will be certainly looking at that and we hope that will be for the betterment of individuals, and not for the detriment. So that is what we are doing when we meet. I am interested to hear about home sharing, and yes, I will look into that. I thank you for bringing that to my attention.

Mr Lightman's work as well—we have given the commissioner a very short time frame, so we do not feel that we are studying this to death. There have been lots of reports and there has been lots of work done, but we do have to look at it and tie things together. The poor soul has only six months to do it in, which is not a great length of time. But once he finally brings together everything that is out there and talks to people within that six months, we then can move towards action. I think that that is very important.

I meet with him on a regular basis weekly. I will see a first draft in the beginning of April, so we can take a look to see which direction he is going in. I do not want to say to him in July, "Oh, my gosh, we forgot something. Let's add to that," and then add on to his commission time. Six months and we hope to get the work done and then we hope to make sure that we can implement change. We feel that that is very, very important.

Many years ago, when I first started to get really interested in why I was going to run in politics, it was was the fact that, in the west end of Toronto, Lakeshore had closed

down, and many other institutions were closing down as they were out of patients. Suddenly west end Toronto was faced with an enormous amount of people living in accommodations that were not good, that were not meant to be for people: living eight people to a room, no services in the field to help them, roaming the streets, having nothing to do and being completely at a loss.

That goes back to the whole ex-psychiatric patient delivery of service, deinstitutionalization. We do not want that to happen to seniors. We want to deinstitutionalize but we want to make sure that we have a broad structure in place, that we have a foundation in place, that we have support services in place to make sure that we are not going to do that to the group of people as we did in the early 1980s. We cannot let that happen again.

That is something that really drives me when I think back and when I see in my own communities still today the people who are living in situations that came up and why the Lightman commission was appointed; people living in conditions that are, quite frankly, if it was an animal the humane society would be in and everybody would be screaming and crying. We must make sure that that never happens again, so we will work quickly. The commission is supposed to do that, is intended in the short frame time to do that, and we will make sure that that happens. On the other hand, we can learn from those past mistakes and make sure that we do not do that to our senior population.

Of course there is the added question because seniors are aging. We are into a situation where the demographics forecast seniors at a higher proportion than they have ever been, and they will be in that proportion in the very, very near future. Something that had not been looked at in the past is the fact that we have got this aging population. What are we going to do? How are we going to address their needs? This has to be addressed and looked at. We must be realistic about the type of services that we need to provide and make sure that we have all of those various things in place.

I think, as an advocate of the Office of Senior Citizens' Affairs, we have to really make sure as we are doing our advocacy work. We also have to make sure that we do the research and that we have the facts and figures for it too. There are the changing demographics and the multicultural community, and something that we keep overlooking is our native community. As we work towards self-government, we have to make sure that the seniors in our native community also have services available to them in their language on their own home turf, not just in areas that they have to move to because they cannot receive the services.

The horrible thing about the issue of seniors in the native community is that their changing demographics are not the same as the other societies that we look at. Their demographics show that, unfortunately because of poverty and because of what has happened in the past, there is not a large population over 65, and we have to make sure that we address that. I want to make sure in the next 10 to 15 years that that demographic starts to change, that our senior population in our first nations does increase and does move towards the same demographics that we are seeing in our other societies.

But that has not happened and it is not happening now because of related drug and alcohol abuse, because that then relates to handicaps. It also relates to poverty and not having the proper nutrition. Even when I went to visit Thunder Bay and Armstrong White Sands Reserve a few weeks ago, the price of milk in those communities—and I think Lyn will tell us a little bit more about that coming from that area—is so different in those communities. Young people and young babies and especially children on reserves cannot afford to have milk, and obviously cannot afford to have fresh fruit and vegetables. They do not have the same type of health and benefits that we do.

We have to address all of those things and we have to make sure that all of these issues are put on the table when we look at seniors because it is very important. We cannot overlook one community over another. They are all integral and all part of a large, broad picture. I feel that very strongly.

I think that that also goes back to the fact of wearing the many hats, as you call it. I do not see it as wearing many hats because in the Ministry of Citizenship we have multiculturalism. We also have the native affairs branch, and bringing seniors and the disabled community together all comes under one big umbrella. We can see using our background in one area of the ministry to be able to better serve another part of the ministry.

1610

In closing, I think I can say that we certainly have been able to tie those things together, to have an understanding of those various issues and again, with immigration and the new immigrants coming to our community, we certainly have to look at seniors who are not covered under the various aspects of what we do with seniors because they have not been here long enough to be able to get various pensions. So there are many things to be done.

I am glad you share my concerns, I am glad you share my interest in seniors and I want to put on record that it is more than an interest that I have. I will make sure that I carry forth the advocacy role in a very strong way and that seniors will not be overlooked. If anything, they will be really placed in the front arena, not only in the government but in the community and in the public forum. Thank you very much.

The Vice-Chair: Thank you, Minister. Before we go into rotation we have to decide by consensus what format you would like. We have done 15 minutes, we have done 20 and then this morning we did 40-minute rounds. There are four hours and 52 minutes left in the seven hours that we are awarded for the seniors' ministry, so I am open to ideas.

Ms Haslam: I would like to see it done in a block so that if there is a question raised—for instance, in regard to some of the questions raised in the comments, if I have to wait 80 minutes in order to get my questions on that, I find that a little disconcerting. That is why I would rather stick to blocks of time, like we had originally in this committee, and that was dealing at 15-minute intervals.

Mr Jackson: Since the minister referred to non-partisan, we could do what some committees have done and just allow for a speaking order and no one staying on too long. We could even try that. That is how some estimates are

Ms Haslam: I would not even agree to that because I find that I have lots of questions and there have been times when I have been cut short and others have had a longer time.

The Vice-Chair: Okay. It is Ms Haslam's suggestion that we go for 15-minute rotations per caucus. What about the official opposition?

Mr Mahoney: That is fine with us.

The Vice-Chair: All right. Then we will proceed in 15-minute segments and start with the official opposition. Mr Mahoney.

Mr Mahoney: First of all, let me just clarify that at no time did I say there was no need for legislation. What I said is that legislation can be time consuming, and let me in that regard lead off with that question. We would be interested in knowing what initiatives you might feel could be put forward that do not require legislation. It does not mean that you throw the legislation out and, as I said in my remarks, indeed we may support all or part or amend or whatever with regard to those pieces of legislation.

What concerns me is the constant reference—not necessarily by you, but by some of your colleagues-to further study, etc, on various issues, and the introduction of legislation which can take tremendous time to draft at the staff level and then the legislative counsel gets involved and on and on. In the meantime, I believe I used the phrase "The clock is ticking," and it is necessary to address some of the problems.

What I would like to know is what you are prepared to address perhaps through regulation or through co-operation, be it with other care delivery systems or other stakeholders in this area, in the areas of transportation and housing and equalization of salaries and increases in certain areas, that type of thing. Do you have any plans on what you could do that would not necessarily require legislation and could work within the existing framework?

Hon Ms Ziemba: There are things that can be done without legislation, and you are right. Certainly in the area of building the community support services in place, making sure that communities understand that we want that to happen, to expand services, enhance, that work has started. I understand at the Ministry of Community and Social Services that agencies are developing and making sure that services are being enhanced. The area managers that we met with today have been asked to look at what services are not existent. Because of my background, I can quickly rattle off a whole bunch of areas within Ontario where I know services are lacking, and we can start to address that work and make sure that communities understand that we want to make sure we are moving towards that area.

In a lot of cases, though, when it comes to the protection of vulnerable adults, I really think we have to work quickly on the legislation. We are developing that along with advocacy and health consent and guardianship. It is our ideal that we will have it ready to go before the House at the beginning of April. So we are moving rapidly, and

hopefully we can do that without taking up a lot of time. I think we can move rather rapidly on those areas.

Although legislation can get bogged down through committees and through all the various processes, I do not see it as having to do that. I also see that the work on committees, when it comes to legislation, can be very profitable and very helpful to us as a government, to make sure that the legislation is enacted properly and can work out in a very equitable fashion. I am sure that when we do take our bills to committee, your assistance and your help will be very welcome on these various aspects of legislation.

Mr Mahoney: If I could attempt to ask you to be specific. For example, in the area of Community and Social Services' integrated homemaker program, I guess it was your party, not your government, that prior to taking power promised to double the existing budget at the time for the integrated homemaker program. Our estimates are that that would be about \$62 million, which would be in excess of the \$640 million that was previously allocated. So that is the type of thing that I am talking about. Are you prepared to make a commitment to do what was promised and double that homemaker program budget?

Hon Ms Ziemba: As you know, Mr Mahoney, I can only say that because it is another ministry I will—

The Vice-Chair: Excuse me, Minister. Hansard is having some difficulty picking you up. If you could sit forward.

Hon Ms Ziemba: I am sorry. I realize part of the problem that you have is because I am short and all of these chairs are made for big, tall people.

Mr Mahoney: Actually, if you look around, most of us in this business are short. I do not know why that is.

The Vice-Chair: We were not that way when we started.

Mr Mahoney: It is the Napoleon influence, with a few exceptions.

Hon Ms Ziemba: I will try to remember to sit closer when I am answering.

I will work in my role as an advocate to make sure that the promises that were outlined and also that the work that I had done previously will be put on the table and will be addressed. I cannot answer for the Ministry of Community and Social Services, and you would not want me to do that, but in this ministry and our role as an advocate, we will continue to put those issues on the table and to push to make sure that they are addressed.

Mr Mahoney: I asked the question for a reason and it has to do with the issue of the multiple responsibilities and the fighting as an advocate that you would indeed do at the cabinet table. Also, reading up on your past history, I would not expect you to take a passive role and would not accuse you of such.

I do have some difficulty, though, with how you reconcile—I think Mrs Marland always calls them the cabinet sweepstakes, when they are sitting around the table and you are arm-wrestling with social services—not in a literal sense obviously; short people would be in trouble winning that arm-wrestle. When you are fighting on behalf of the

groups you represent and Mrs Akande has her agenda and Transportation has its agenda and everyone is fighting for it, there are, in fairness, promises that have been put on the table which certain people such as homemakers are anticipating that this government is going to address. I have some concerns, not about your ability—I have no concerns about that—but about the position you might find yourself in in attempting to argue on behalf of increased money for areas that affect senior citizens, when you also have other interministerial responsibilities yourself and you have other ministers in the government saying things that are contrary to the stated goals and desires of your ministry. How do you reconcile these different responsibilities?

1620 Ho

Hon Ms Ziemba: I can reconcile them, I think, very easily. I think you will see that this will work out quite well. When you talk about integrated homemakers, when you talk about long-term reform, it not only includes seniors, it also includes the community of disabilities and disability issues. They, too, need to have those services, and long-term care includes those two communities, so I will be speaking on behalf of those two communities in a very strong voice and I think that we can do that together.

I do not think it is a matter of arm-wrestling and trying to see whose ideals will work and who will be able to get his or her agenda. There is an overall agenda for this government and for the philosophy of this government, and we are all trying to work towards doing that. It is not a matter of pitting one against the other; it is a matter of making sure that all the services are equitable for all and that everybody has a good and decent life. That is what we are trying to do, and we will continue to do that.

I think the throne speech said that we want to change society and how we look at it, in that everybody will have a fair and equitable voice and that they will be looked after and that we will make sure that their interests are looked into. I think every member of cabinet, all of my caucus members, share those concerns and will be backing me and will be working towards solving those problems, so I cannot see that the problem of reconciling my various pieces of agenda with another minister's is going to be such a conflict.

Mr Mahoney: Madam Chair, I know Mrs McLeod has some questions and I want to share the time that has been allotted. Let me bluntly ask you: Will you fight for that \$62 million to increase that budget?

Hon Ms Ziemba: Yes, I will.

Mrs McLeod: Minister, I wanted to take you back to another aspect of long-term care reform, which I am sure each of the caucuses will do at different points in the course of our estimates, recognizing that responsibility you share with other ministries as advocate. We did in fact raise some of the long-term questions in our estimates with the Minister of Community and Social Services. Unfortunately, because there was such a wide range of services to deal with in that estimates package, we were not able to spend nearly enough time on specific details of long-term care reform, so this provides us with a valuable opportunity to come back to some of the details.

For the moment, I would like to focus on one of the aspects of the long-term care reform proposal I was particularly excited about: multilevel care funding within the residential setting. I would like to ask you about your commitment to multilevel care funding, whether you continue to see that as being one of the essential steps in reform.

Hon Ms Ziemba: Yes, I do. There are many aspects of long-term reform that certainly are very important, and I think that when you take a look at our final document and what we hope to do you will see that we have enhanced and broadened what had already been started, but enhanced and improved, not disseminated or taken away. The document and what we are doing with it is not complete and not finally finished, but you have my assurance that the final package is going to be—I think you are going to be very pleased with it.

Mrs McLeod: I assume from your answer it included a multilevel care funding program. As I understand those proposals, in order for multilevel care funding to be implemented there had to be a classification of residents currently in nursing homes or homes for the aged settings. The original schedule was to have that classification completed by some time within this next year. I wonder if you could comment on the progress of that classification system, whether it is continuing and, if it is, whether it is the Alberta system of classification that is being considered.

Hon Ms Ziemba: I cannot answer that right now. We could check into it, or perhaps one of my staff members could tell you.

**Mr** Adams: I think we would be in a position to bring back a response tomorrow morning.

**Hon Ms Ziemba:** Would that be satisfactory?

Mrs McLeod: Yes, that would be fine. Just two other questions, then, and I will yield the floor to Mr Daigeler.

The Vice-Chair: You have four minutes left.

Mrs McLeod: I will ask my questions quickly, knowing we will have another opportunity. Can I make an assumption that as we look at multilevel care funding in the residential setting, that will be applied to nursing homes which are clearly in what would be described as the forprofit sector as well as for homes for the aged and not-forprofit nursing homes?

Hon Ms Ziemba: We will get that answer for you.

Mrs McLeod: I know the original proposals were to apply to all residential settings. I suppose what I am asking is whether your government intends to make that one of the areas of difference.

Hon Ms Ziemba: One of the areas of difference we are looking at is for-profit and commercialization and our philosophy towards commercialization.

Mrs McLeod: So you have not yet determined whether the funding will be provided equitably to the nursing home settings?

Hon Ms Ziemba: It is one aspect we are still dealing with. There will be short- and long-term changes; I would prefer to wait to give you our final response to that.

Mrs McLeod: That may be an issue we come back to, then. My final question for the moment would be in the area of an analysis of the impact of multilevel care funding proposals, given the fact that we know there are long waiting lists for extended-care beds while there may in fact be vacancies in extended-care beds. As we look to a different model of funding quite clearly what will happen is that far more extended-care per diems will be needed. At least I make that assumption. I am wondering whether there has been an effort to do a cost analysis impact of moving to that funding proposal and ensuring that those residents needing extended care are able to receive that.

Hon Ms Ziemba: We will have to check on that for you. I do not have the figures in my head.

**The Vice-Chair:** Mr Daigeler, there is about a half a minute. Would you like to wait for the next round?

Mr Daigeler: I will wait for the next round. I am patient.

The Vice-Chair: You are, very. We appreciate it.

Mr Jackson: I did not talk about elder abuse very much in my comments. I wanted to deal with it in a little more detail and my time was running out quickly. Could you advise the committee to what extent your ministry is involved with elder abuse? Is it simply a couple of promotional programs and brochures or to what extent are you involved in this issue?

Hon Ms Ziemba: We are extending our involvement, I would think, because of various things that have come out of research. Yes, there are some promotional items, but there is also some very good research being done and handbooks being done at the same time that we are funding to help people in the communities work and assist people. Also, in my own work, in my own background, I have been meeting with groups and talking to them about how this could be implemented in our advocacy commission, certainly looking at how we could expand our role in the advocacy commission as well.

1630

Mr Jackson: I had suspected that the interministerial committee on violence against women had been dropped by your government, and I am surprised to hear that you do not see a spot for elder abuse in that forum. I wonder why you are not putting it at least back up to the priority that the former government had it, albeit it was locked in an interministerial dialogue. I was hoping to hear from you what commitments your ministry was doing with other ministries to combat this in a proactive way. Education is great—I will talk to education in a moment—but I am trying to get a sense of its policy priority for you as a minister, and what processes you have in place in order to ensure that this agenda be brought to the surface.

Hon Ms Ziemba: We talked earlier about the work that had been done in the past and the consulting processes. I think the knowledge is there. It is now the way we implement and make sure that elder abuse is addressed and how we can make sure, in the care providers in the advocacy commission, that all of these areas might be a form of addressing elder abuse. Education is a component,

obviously, to other ministers, but I think we have to look at it in a little more proactive way so that if we have it within our commission or if we have an elder abuse hotline, all of those various things, I think we are ready to make those moves rather than sitting at committee level.

**Mr Jackson:** I had hoped that we had evolved beyond simply informing people, that we actually had some protocols in place.

I would like to perhaps move into its implications for nursing homes and homes for the aged. You will be familiar that the laws protect people differently depending on their institutional setting; the staff is protected differently from residents, and residents are protected under the law differently from other residents. There are some very clearly identified deficiencies. I do not wish to document all the cases, but we reviewed them six years ago, of a resident coming in and beating up and nearly killing another resident, and the police deal with different protocol matters in this regard. Police are coming in and saying, "Well, what do you expect me to do with this individual?" They are incontinent but they are violent.

How do you think the families feel when grandma lying in the next bed has just had a broken jaw or had a shoulder blade broken or three ribs caved in? These are not one-in-a-thousand cases. These cases have been reported with increasing regularity. How do you deal with that? You are the minister, you have observed the event. What is it that you are suggesting aside from the publicity and discussing with groups and the other things you have mentioned?

Hon Ms Ziemba: One thing we did after the coroner's report about an incident you just referred to is that we did appoint a commissioner, and the Lightman commission is going to look at the unregulated homes to make sure we do have an understanding and come forward with recommendations that will address those problems; that is in the unregulated sector.

The advocacy commission is going to be able to address that both in the regulated facilities and also in the private homes and unregulated facilities. Elder abuse is certainly going to be able to be addressed in that manner, again, due to legislation. That is why we have to move quickly towards the legislation and make sure this goes through all the phases quickly and goes to committee in a fair way, because this matter cannot be just left towards education and talking about it any more but has to be dealt with quickly.

Mr Jackson: In my preamble, I tried to make it abundantly clear that we have these differing sets of rules. We have the regulation in nursing homes, we have a nursing home residents bill of rights, we have the identified situation, but the Ontario Nursing Home Association has written your government and to the Minister of Health with respect to the growing incidence of violence. These are assault charges, common assault. We have documented that the police are unwilling to come and investigate the cases. When they do come, they take these people away to jail or to a psychiatric facility. These are serious matters with respect to something which is already regulated, so to suggest to me, "Be patient. The poor soul, Mr Lightman,

we'll give him six months"—all we are going to do is put them in the position the nursing homes are in. We still have the problem in nursing homes. I have to presume in simple logic that we are still going to have these problems with the formerly unregulated.

I am not getting a sense that you understand the essence of abuse and supervision and its relationship and how they work in this province. Simply having regulated rules is not a great support for families whose grandma has three broken ribs, rather that we have the other suggested strategies in order to reduce, if not eliminate, to the best of our abilities as a government, violence and abuse that occurs in those institutions.

Hon Ms Ziemba: I am going to say again that the advocacy commission will certainly address those, but I think we also have to look at other reasons abuse happens and why we do have abuse. It is a very complicated matter, and I would say to the families that we are going to address it by the fact that we are going to provide the services in a more equitable fashion and hope that we are not going to depend—I guess this is where my philosophy comes through, that when we look at commercialization we often see the fact—as we did, which is why we appointed Ernie Lightman—that we do have unregulated facilities that do not have the proper care in place.

Going back to the regulated facilities you were discussing, the advocacy commission and the advocate will be able to go into the regulated and unregulated and private homes to be able to stop that abuse and to be advocating on behalf of not only the family members and the families themselves, but will be able, we hope, to prevent that and to be able to tighten up the laws, that the police would be able to address that in a different fashion.

Also, the systemic barriers which are in place are again what the commission is going to be addressing, to break down those systemic barriers and make sure that elder abuse or abuse of any vulnerable adults, not just seniors but any vulnerable adults, will be broken down.

Mr Jackson: Perhaps my understanding of elder abuse and yours are different. Maybe we should agree on some basic understandings of how it works. People are not inherently violent. It comes out because it is a function of a change in their mental state, a change in their condition that is brought on by Alzheimer's, partial dementia, inappropriate medications which are triggers—the overmedication of seniors is another whole issue, and I will not dare get into that, because we can go for an hour on that. The advocacy, as I understand it, is going to go in and make sure that the person who has been violent without really being responsible for their violence does not get locked up.

I am trying to talk to you about grandma who has just been asleep, lying in the bed next to this person in a four-person ward or a two-bed room and has just had four or five ribs broken. The questions that arise then are: Why did the police only call on the phone and not attend? Why is it that we are funding this institution? Why is this person in this institution if we are only funding one hour of attendant care a day and one person is left to be responsible for 30 people during the course of an evening?

These are the substantive issues which are a function of this form of assault and this form of violence which is occurring in these institutions. These are not havens for inherently bad people. This is a complex issue that occurs for a complex set of reasons. I certainly know the institutions have been writing the former government and your government for the last six years as we see the acuity rate grow at such a dramatic rate. Twenty years ago we never dreamed we would have Alzheimer's patients in nursing homes. That was never the intention. They were to go to a specific type of institution; everybody is backed up. But they have every right to be given a certain amount of attention and support, but also for the protection of other residents who are in the same facility. They have every right to do that. They are relying on us to fund and establish policies for their protection also.

An advocate is only going to come in and say: "Look, do not put that person behind bars because he was really out of control. It was not his fault that he was violent." We are at fault because we are putting a violent person in the bed next to a person who is there for care.

### 1640

I am sorry, but that is the real nature of the institutionalized abuse we are experiencing and hearing about, not that seniors are somehow inherently abusive. I have not even got into the whole issue of residents attacking workers, some of the abusive language, some of our Third World cultural groups who work in these institutions and some of the absolute abuse that I hear they are put to. Those are the kinds of things that I want to hear you are understanding and are dealing with and not leaving it to Mr Lightman to deal with in regulation.

I am sorry; perhaps we can leave it at that. I just was hoping that we would have a deeper understanding from the interministerial level. First of all, it was not a priority in the general violence issue. We had to fight to get it moved up the table in the interministerial committee. We even had to fight to get seniors in as part of the original umbrella group. So I wanted to see if that was still on the table or if you are starting at square one in terms of elder abuse, and Mr Lightman in terms of an agenda that we are able to push and promote in a non-partisan way in this province.

Hon Ms Ziemba: I think I tried to assure you before that Mr Lightman is working on the past experience and that is why he has only got six months to work on this report and come back with his recommendations.

Elder abuse is very complicated and is many different forms. You have highlighted some that happen in institutions, but there are other forms of elder abuse as well that we cannot overlook, whether it is psychological abuse of family members because of not having enough income or not enough respite, as you understand and have spoken of it in the past. It is many issues and it is a very complicated issue.

The other thing about elder abuse is the fact that very few seniors will want to admit and come forward. It has been an issue that only has come in the foreground in the very near past. People did not want to address it as they did not want to address family violence. They did not want to talk about elder abuse either. It is an ugly subject. People do not want to admit to it or to discuss it. So it is an issue that is very sensitive and it is not an issue that we are putting on the back burner.

I would want to say instead that we are highlighting it and pushing it forward, and we will be addressing all the concerns and the needs and the very many aspects of elder abuse, whether it happens in an institution or whether it happens in a private home and whether it happens to another patient or to another senior, or whether it happens to staff members.

I do want to mention Alzheimer's. I guess it is partially from the work that I did and also partially because of my own mother. I think the scenarios that you talked about, making sure that we have proper facilities for Alzheimer's patients, have to be addressed and have to be addressed quickly.

There are many facilities in Ontario that do care for Alzheimer's patients in a way that not only protects themselves because of the wandering element, but also protects other patients and also protects other staff, and it is done in a very humane way and in a very humane direction. That is what we have to look at and make sure that more services are there and that we are not putting—

**Mr Jackson:** I am advised by the Chair that my time has expired, and if I wanted to get into Alzheimer's, I would have asked you, but that is fine; I will eventually.

Ms Haslam: On the first page of your estimates book, under vote 3401 and in the overview statement—I understand that a number of the overview statements from the estimates were also in your address—I want to look at the fifth one down, under the mandate. It says, "To promote the recognition of seniors' contribution to society," and I know that in particular I was thinking about this publication Are You Listening? I believe that is one of your publications and fits well into this. I like it, it is great and I am using it in some areas in my own riding, but I wanted to know if I could find out what it costs and where in the estimates it is covered.

**Hon Ms Ziemba:** I will ask my staff for that answer since this happens to be done prior to my becoming minister.

Ms Haslam: I have some other questions. Would they like to look for that answer?

**The Vice-Chair:** Would you like the answer back tomorrow morning or would you like it right now?

**Mr Norberg:** Could I suggest that if you have a number of questions like that, you put them out on the table?

Ms Haslam: Sure.

**Mr Norberg:** We will gather the information together for you overnight and we would be pleased to provide the answers first thing in the morning.

The Vice-Chair: Then the information would be available for all members of the committee, which I am sure they would appreciate.

Ms Haslam: There are a few throughout the book. I will go through a couple of other questions. You maybe could answer a couple now and if I come across another

one I will certainly draw them out. I do have some questions. For instance, in the opening statement you mentioned that in all we are offering 100 workshops in this fiscal year. I would like to know where they are being offered and the dates of those workshops. That perhaps could be brought in. Then on page 16 you mentioned 39 projects across the province from the access fund, and also in December awarded 16 grants from the regular access fund budget. Excuse me for not knowing all of the ins and outs here, but what is the difference between the special access fund and the regular fund budget?

Mr Mahoney: One's a slush fund.

Mr Haslam: No, you're not in there any more, Mr Malonev.

Hon Ms Ziemba: Ms Haslam, the special fund is an anti-recession initiative that we were doing in answer to creating jobs but also to doing other good works as well. So it was a double type of initiative that we were creating work and we were also helping access.

Ms Haslam: Okay, that was another one. I had maybe a whole list of things. I wanted to go to page 2 in your estimates now. I see that there is a discrepancy in the reconciliation statement, a rather large discrepancy in spending and estimates. Is this an underspending? In particular we are looking at 1989-90 estimates and the actual between \$9 million and \$5 million. Is this an underspending, and is this in service delivery?

Hon Ms Ziemba: I am going to have to ask the staff to answer that question since I did not happen to be here at that time.

**Mr Mahoney:** You are having more trouble with your own caucus than you are having with us.

Hon Ms Ziemba: Not at all. I have specific things I want to-

Interjection: Wait until I get at her.

Mr Adams: My name is Philip Adams. I am a special adviser at Senior Citizens' Affairs. Looking at the figures there, in 1988-89 there were included in the estimates for the office in that year an amount of money which was to be used for funding four pilot projects for one-stop access and that was \$1.5 million. Then there is also another sum of money which was to be used for geriatric training in five teaching hospitals and these moneys were not expended in that year which accounts for the larger part of the discrepancy you are looking at.

Ms Haslam: It is still underspent?

Mr Adams: Those moneys, the \$1.5 million, were subsequently removed from our estimates at the end of 1989-90.

1650

Interjections.

Ms Haslam: I think I will just say how much I appreciate the input from all of the gentlemen facing me and how I agree with—well, some of the gentlemen facing me and how I agree that it is a non-partisan subject and that we all have ridings, like you, Mr Maloney—I keep calling you Maloney; I am sorry—we all have ridings with elder

people in them and we all have ridings with 20% who are senior or disabled. I am so glad to hear this is going to be a non-partisan time in this committee. That will be different.

Mr Mahoney: It was up until now.

Ms Haslam: It is really nice. It is going to be nice to see it today. I would like to go back then to something else you said in your opening statement and that was that on average today seniors are well-off by historic standards. I think this is a commonly held belief, that seniors are well looked after or are well-off. Then you get down into the next paragraph where you say the fact is 34% of all senior citizens qualify for a guaranteed income supplement and I understand, if I am correct, that most of those 34% are women.

Hon Ms Ziemba: The majority would be women, ves.

Ms Haslam: I am wondering why is it that so many seniors, in particular women, are still below the poverty line. You mentioned a couple of things. What do you see that needs to be done and how can we help in that situation, in particular women, because I know from some of my research that women in poverty are a major factor here.

**Hon Ms Ziemba:** There are two things we have to do. Obviously we have to address the women who are facing poverty now and are over the age of 65, but there is another, broader issue too, and that is to make sure it does not happen to women who are under 65. So obviously by paying women equitably and making sure that our salary levels are equal to male salary levels, that there are pensions in place for all people and not just for a few, and private pensions as well, that there is portability with pensions, that there is a whole pension reform that we have to look at, and making sure that there is income security, that we look at seeing that income security goes across the board for all levels—I would then say too it is also a male issue when we come to income security, that we raise the minimum wage, and that is one of the promises we are going to do. Minimum wage cannot be left at what it is. It has to be increased. So it is a very broad issue.

Unfortunately when we look at wages and salaries, we often look at people who are unionized, but only 39% of our wage earners are actually in a position that they are unionized and have pensions, where you look at 61% who are not protected and fall out of those realms of protection and we have to make sure that 61% is looked into.

We also have the issue of immigrant women who have come here to help their families with baby-sitting and then are dependent upon them and cannot go to pensions because they are not eligible and have lived here less than 10 years. That is another issue we have to address and we have to look at that very seriously, because again it goes into abuse and elder abuse because of people being dependent.

Ms Haslam: I have one more quick question. I understand there is a list of people. With the changes that are being brought in, do you see the demographics changing in the future? I am sorry. I cannot read my writing. Will the levels of poverty remain the same? For instance, you are talking about some things that we can do and minimum wage and more. There are more women working now,

albeit a lot of them are in the service industries. Do you see the demographics changing or do you feel that this is a problem that is going to be with us for a number of years?

Hon Ms Ziemba: I hope we can change that. Unfortunately, we cannot change it all overnight, but even in wearing my other hat, employment equity is going to change the demographics and the fact that visible minorities, persons with disabilities, women, our native people will have the opportunity for a fairer chance at fair and equal employment, which would then of course make sure they have fair and equitable pensions and that they will be working towards having a life in dignity after the age of 65. So all of these things are going to make sure that we overcome these problems in the future. There are some short-term things, though, that we do have to address and those are things that we are working on for the future.

Ms Haslam: Thank you. I will pass.

The Acting Chair (Mr Villeneuve): Thank you, Ms Haslam. We have Mr Owens next on the list from the government side and you have about three minutes in this round.

Mr Owens: My question is with respect to flexibility of service. In the other committees that my colleagues in the opposition have sat on, we have talked about the localization of service in and around the delivery and the standards of care. I am wondering, as an advocate on behalf of seniors going forward to the other ministries, what kind of role you are playing with respect to advocating that type of flexibility so that the services that are appropriate to the client are delivered, as opposed to meeting a systemic need. I had three minutes. That is the end of the two.

Hon Ms Ziemba: We have to look at flexibility in terms of culturally interpreted services too, so that the flexibility and the delivery of service has to be available to groups of people that are culturally sensitive to their needs as well. I think that is part of what you are saying in the delivery of service. I think this has become very complicated in the delivery of services with both MCSS and the Ministry of Health, that sometimes the service comes out of Health and sometimes it comes out of Comsoc, and then of course it depends on your age, where you get the service, and it is all over the map.

We have to really break down those systemic barriers and have to start to look at a more integrated approach and perhaps starting to work towards a process of—this is where the Premier's Council on Health Strategy has come forward with some very good recommendations on how that can be done and how we look at the person, not his age, not where he lives, but how that service can be delivered to the one individual and not be concerned about whether it is coming from one ministry or another. So we do have to look at those issues.

Mr Owens: Strategies for Change mentions that approximately 90% of the informal care giving is provided by family, friends and volunteers, particularly women. I would like to ask the minister to share her view on this issue of women as primary care givers and the type of services and programming that you are hoping to put into place to help these folks.

Hon Ms Ziemba: There would be many things that we have to do. Some that are very visible, in fact, in giving respite help so that people can have the opportunity to use services to relieve their own tasks and duties. But we also have to make sure that we look at the fact that people are not losing their opportunity to have pensions as they become older, that they are not losing their homes because they have had to pay for so much in services. So there are many broad issues that we have to look at in that delivery of service and how we compensate people who are saving us a lot of money and who are providing much better care for their families, because they know the type of care that is needed and they can deliver that service in a much better service and a much more humane way and a loving fashion.

But we have to make sure that we address—I saw that in my work—elder abuse, because of family members being so overburdened, so overtaxed, having to give up their own lives and the cost factor as well. We have to address those issues and that is something Strategies for Change had not addressed but had left it, saying that we would make sure that the concerns of primary care givers and family care givers were addressed. But how are we going to do that is one of the topics we have been trying to address in our weekly meetings and we are looking at it. I hope to bring forward very shortly with my colleagues our plan for addressing those needs.

1700

The Acting Chair: Mr Owens, we will be going back to you when the government round comes back. We now go to the official opposition, Mr Daigeler, and the official opposition will have 15 minutes again in this round.

Mr Daigeler: Before I get into perhaps more substantive questions, I would like to raise an issue that really struck me when you made your remarks. It is a bit of a peripheral point, but nevertheless could be an important one in the overall operation of the government. You made reference to three corporate sponsors for a publicity program that you have, the Good Neighbours program. You said the Royal Bank, Shoppers Drug Mart and Today's Seniors magazine have donated funds to assist with the purchase of promotional materials.

Let me ask, first, how did you find those sponsors? Second, is this a practice that other ministries are doing as well? By the way, I hope it is. Third, is it possible to know the amounts? I do not need to know which sponsor gave what amount, but approximately what ballpark figure are we looking at, because I find this rather interesting in terms of co-operation between the private sector and the government. If you have some information on that either now or later on, I would appreciate that.

Hon Ms Ziemba: Okay. The funds in the actual dollars would have to be addressed later. I could get our staff to look at that. The way the corporate sponsors came to be was really by the communities themselves, and it really worked out in a very positive way. But we can give you the answers in more detail tomorrow if that would be possible. Is that fine?

**Mr Daigeler:** Is this done in other ministries as well? It is just I have never noticed that. Mind you, I have been here only three years.

Hon Ms Ziemba: Mr Adams can address that answer now.

Mr Adams: Good Neighbours was about two years in the making as a concept, and in the course of doing that, the staff ran a number of pilot projects. We found that as we ran this in eight pilot communities, there were two institutions in the communities that were very interested in serving seniors too. One was the Royal Bank, which had developed a concept called grey panthers. They had also established some branches to relate solely to seniors and set them up with, instead of the usual stand-up things, sit-down things and more mature tellers who could relate perhaps better to the seniors and so on. They were one group among a lot of people who expressed interest in collaborating with us on Good Neighbours.

Then there was Shoppers Drug Mart, which was always running specials for seniors. They are particularly interested in seniors viewing them as their drugstore, obviously because they wanted the custom, but also they were prepared to accommodate seniors. They expressed interest in the program and said that they would be prepared to assist with Good Neighbours, and we are always anxious to find ways and means to extend our available dollars.

Then Today's Seniors, which is a very vital sort of magazine for seniors that is distributed free in Ontario and now increasingly across the country, had expressed interest too and had written a very supportive article for it. We thought that we could use these resources to our advantage so it was agreed that for this one year each of the two chains, that is, the Royal Bank and Shoppers Drug Mart, would contribute \$10,000 to a trust fund and that Today's Seniors would donate advertising, goods in kind. In other words, like most media things, they do not give you money but they do run articles and ads free of charge.

This was their joint contribution, and with that money we are able to buy promotional materials that are made available to the communities to use in their startups of Good Neighbours. It is a joint account so everybody knows exactly where the money goes and where it is signed off to. It is very closely watched. We are interested in adding more corporate sponsors because we think it is a good thing; perhaps a food chain or something of that nature too, a place where seniors go.

The other big contribution that these corporate sponsors make is they help in the communities. I was just down in Windsor last Wednesday for the kickoff of the Good Neighbours program in Windsor and it was hosted in the local Royal Bank branch. It was after banking hours and they had all the community people in there and a little reception and the media and so on. They really throw their support against it. Shoppers Drug Mart similarly is going to help in Windsor. What we ask for in every community is that the corporate sponsors, in addition to offering some money to buy promotional materials with, which is nice in itself, get actively involved back at the community level and support it.

So that is the story on Good Neighbours. Within several months we will have 20 communities that will be Good Neighbours communities.

**Mr Daigeler:** I appreciate that information. Now, you said, "We support this corporate sponsorship." Were you talking for the previous government or for the current government? Perhaps the minister ought to answer that question.

Mr Adams: I think every government is interested in people with goodwill who put their money towards a good cause. That was the case with the previous government, and I know it is the case with this government.

Mr Mahoney: Well said.

Mr Daigeler: We hope this will come to fruition in other dimensions as well, yes. I will pass it on to Mr Mahoney.

Mr Mahoney: Minister, I would like to talk to you about mandatory retirement. There has been a lot of talk since the Supreme Court—

Mr Jackson: She just got the job.

Mr Mahoney: I was not suggesting that the minister should be retired.

Mr Daigeler: Not yet.

Mr Mahoney: It will take a little bit of time.

Mr Jackson: If his constituents have not seen the light, how do you expect us to?

Mr Mahoney: You can fool some of the people some of the time. Are you finished? What was I asking about?

The Acting Chair: It had something to do with mandatory retirement.

Mr Mahoney: I know exactly what it had to do with.

**Hon Ms Ziemba:** We are not too sure if it was yours or other people's.

Mr Mahoney: I can guarantee you it is not mine. Not yet anyway.

Members of your government are quoted, and I assume it to be true—it is in the Toronto Star, so it must be true—they are quoted all over the map on the issue, and it again comes back to the responsibilities at the cabinet table when you read that the Honourable Bob Mackenzie, an ardent trade unionist, says he has traditionally supported the idea of mandatory retirement but now he is hearing good arguments from the other side. The Honourable Anne Swarbrick, Minister without Portfolio responsible for women's issues, personally favours mandatory retirement. The Premier ducked very quickly when asked the question. You have been quoted as saying that you are opposed to discrimination based on age, and there clearly is not a decision being rendered.

I again go back to the concept and the principle of your multiple responsibilities. You are also responsible for the Human Rights Code. In a sense it really should not matter, although obviously you would need the support and the votes, and I assume the blessing, of the Premier. But in the sense you are the minister responsible not only for human rights, but for seniors. I ask you directly, are you prepared to place before your cabinet colleagues an

amendment to the Human Rights Code that would eliminate discrimination based on age?

Hon Ms Ziemba: I would like to answer it simply but, gee, I cannot miss this opportunity to talk so I am going to.

Mr Mahoney: I was not going to say I have noticed that, but—

Hon Ms Ziemba: It is a great opportunity, is it not? I have noticed that from everybody else too.

Mr Mahoney: It is okay; it is in the job description.

Hon Ms Ziemba: I think it is, yes. That is why we are all here.

Yes, I am interested in amending the Human Rights Code. The code does not reflect today's society in many cases and in many areas, and we have to look at all areas in the Human Rights Code. I know that is not the question you asked, but I cannot help but expand. Mr Jackson sort of went like this when you talked about what Mr Mackenzie, one of my colleagues around the cabinet table, has said. Perhaps my advocacy role is working if I am able to bend the ears and to have people look at different arguments for mandatory retirement, so bear with me.

1710

Mr Mahoney: If you can swing Mackenzie, you might make me a believer, I will tell you.

Hon Ms Ziemba: But I think we have to look at mandatory retirement very seriously. We have been kind of flip in talking about it now, and I do not want to be flip about it, because it is a very important issue. The issue is that we do not want people to have to work, because they are living in poverty now, over the age of 65. We have to address that issue, and it is a very, very serious issue. What is happening is that people need to work because they are living in poverty over 65. That issue has to be addressed immediately, and that is my concern.

When polled, only 1% of persons over 65 really want to work after 65, because they enjoy their work or because they are politicians, because they have been appointed to the Senate, whatever. On the other hand, the majority of the population would like to be able to retire with dignity and live in dignity, and I think that is an issue that has to be addressed. We talked about that with rent controls and we talked about that with income security and with pension reform and with the Fair Tax Commission. It is a very broad issue, and I did not mean to be light when I answered you in another way.

Mr Mahoney: That is fine. The concern I have is that I think there is a tendency for people to say basically what you just said. I do not know where that statistic comes from, 1%—if the polling was done in the areas of political spheres, as you suggested, I do not know. But one of the things that bothers me is that you see people—I saw it in the case of my own father—retired with quite an adequate pension, and in five, six, seven years he went downhill so fast because there was just nothing left to challenge the mind.

While it clearly is an economic issue, I think the economics tends to cloud the issue of human rights. The reality is

it is a choice issue. Your party, of course, has been prochoice in many, many areas, and it becomes an issue that says that—mandatory retirement would mean, I suppose, that Mayor McCallion would have to retire, and I mean, you tell her. I am sure not going to.

As you well know, as the advocate for seniors, I am sure you run into senior citizens every day who are a lot sharper than a lot of 40-year-olds you might run into and have an awful lot left to give and contribute. In putting it together with the pension issue, with the poverty issue, those are clearly issues of significance, and I do not dispute that for a minute. But I think it becomes an easy out to say: "We can't have people living in poverty. Never mind mandatory retirement. Let's deal with pensions and let's deal with the economic situation these folks live in."

But the reality is that we are currently discriminating, based on a totally arbitrary figure. It is unacceptable in my view that it be there. I think, for example, that employers should be encouraged to condition their employees to work towards retirement with a positive outlook, perhaps some additional consulting that might go on depending on what the job is, depending on the options that are available, so that they do not wake up some Monday morning after their 65th birthday and go: "Gee whiz, I have nothing to do, nowhere to go. I'm not focused, I'm lost, I'm depressed."

Hon Ms Ziemba: "I don't want to enter politics."

Mr Mahoney: Yes, that is right. "I sit around and watch soap operas." I think it is just the human issue of the right to choose to be able to continue, for a company to put some emphasis—not just a pension, not just say, "We're going to ensure that you are financially well off," because many, many seniors are financially fine but are having a terrible time adjusting to the mental strain of no longer being relevant, of no longer having someone ask them their advice or their opinion, other than perhaps a spouse or a child. I think that is such a critical thing.

What I would like to hear from you is that (a) you are prepared to amend the Human Rights Code and (b) you think that there could be and should be programs—you talk interministerial a lot—instituted with Mr Mackenzie in his ministry to encourage companies, large employers, to ready people for retirement, indeed encourage them to retire in a sense that makes it a positive step in the unfolding of their lives. I wonder if you have any comments on that.

Hon Ms Ziemba: I do have some comments, and I think what you have brought up is very interesting and very well said. Some unions—and I was asked many times, before being elected, to be a consultant and also to do workshops and seminars—are already doing that with their members and actually going out on the shop floor and helping people prepare and get ready for retirement.

When I used to do my little seminars, I used to say that people should start to prepare for their retirement as soon as they can think about retirement, whether it was six or seven years of age, or 10 or 11. It should be a preparation all through life, and we have to do that at the educational component, the school level, university level, because it should be a wonderful experience. There are so many things to do in life, other than just going to work, beneficial

things to do in life. You do not have to give up being a fruitful and useful person. There are so many other aspects to life that you can do that benefit society and benefit other people if you want to be involved and do those things. I think you are right that employers should be encouraged to promote those activities as the union movement has been doing, and it should be expanded to other areas as well.

I think the one thing we have done in our school system is—and perhaps that happened over many years, but I noticed that it happened with my son when he went through high school. We were so concerned about getting him ready for university that we forgot the broader aspects of his horizons, about just enjoying music or enjoying doing other things, recreation and being useful in another way.

Some schools do community activity. In the work that I did in my agency, we used a school to help us deliver Meals on Wheels. We were actually helping the young people learn about how you can help your community and other aspects, by coming in and volunteering and helping people. It does not necessarily mean that you have to get paid to be of useful service to your community and to society. You can do a useful service in many other ways without having to get reimbursed at the end of the week. There are many things we can do, and it is a human rights issue. Yes, I am going to be looking at the whole Human Rights Code because there is a lot of—

Mr Mahoney: Can you give us a time frame?

The Acting Chair: We are already into overtime in this round and you will be on the next round. You have got a very interesting topic. On to the rest of the Conservative Party. Mr Jackson, please.

Mr Jackson: Thank you, Mr Chairman. Now you know why 20-minute segments work a little better, because you start to cut them off at 15.

Ms Haslam: I am enjoying this time. Thank you, Mr Jackson, for taking notes.

Mr Jackson: That was not the question.

Ms Haslam: It never is.

Mr Jackson: It is your role as a government member to enjoy yourself.

**Ms Haslam:** Please, Mr Jackson, stop telling me my role as the government rep.

The Acting Chair: Could you address your questions to the Chair, Mr Jackson, please.

Mr Jackson: I did not want to return to elder abuse, but I am somewhat concerned and, I will admit, a bit alarmed at the response I am getting, so I would like to ask the deputy if he can tell me if the interministerial committee is still sitting, and if it is, who is representing your director

Mr Norberg: I am going to ask Phil Adams to respond to that. He is more directly involved with it.

Mr Jackson: It is the interministerial committee on family violence.

Mr Adams: I am not familiar with that committee, unfortunately.

**Mr Jackson:** You do not know anyone in your ministry who has been attending those meetings?

Mr Adams: No one from the Office for Senior Citizens' Affairs.

Hon Ms Ziemba: You have never heard of them? Mr Adams: I have never heard of the committee.

Mr Jackson: I raised three ministries that were deficient in the original round and increased it from 10 to 13 ministries who are participating. I would be very distressed to learn that those three were never invited, since we fought so hard to get them at the table. However, it is sufficient that previously—well, I will leave open the question that we no longer have an interministerial committee dealing with violence, but it is fair to assume that at this point the ministry is unaware that it has been participating, if at all, on the issue of violence with respect to seniors. You may wish to report back before the seniors estimates are completed.

1720

Mr Norberg: If I could add, I believe that within the broader Ministry of Citizenship, our citizenship development branch people are involved with a group looking at family violence. The role of seniors in that is another issue, and we will certainly get back to you tomorrow, just to do some backchecking to see if there is a history to the presence or lack of it.

Mr Jackson: The unfortunate testament to family violence in this province is that everybody can agree to get to the stage of talking about it as being a crime, but nobody wants to get into its deeper roots with respect to discrimination in our judicial system, through the Solicitor General's office, with respect to the treatment by police and so on and so forth. I do not wish to deal with that at length.

However, I will share with the minister that we have developed our own brochure on elder abuse which distinguishes itself for three reasons, and the reason I will share it with you: (1) It was developed by my seniors advisory committee in my constituency which I have had operating for the last five years; (2) it is in larger print so that my seniors can read it; and (3) it is extensively distributed as an educational tool for the police forces, not only in our region but externally, because that was considered part of the problem. Fourth, if I can give it one more, it deals with the fuller range of abuse: financial, physical, emotional and criminal.

I would like to give that to the minister in hope that, to the extent you are promoting it as an issue that requires fuller and frank discussion, perhaps the pamphlet could be a vehicle for a fuller and franker discussion. That was our experience. We received materials from all across North America before we produced this. There has been extensive research put into the one I produced, and that is at no expense to any minister.

Hon Ms Ziemba: Thank you very much for sharing that with me. I certainly will make sure I take a better look at it.

Mr Jackson: I notice your staff has brought over materials from the ministry. I want to commend whoever came up with that idea. I think it is a terrific idea. In the six years I have been here, nobody has done it, so whoever is to be credited—

Hon Ms Ziemba: I think Mr Adams should take the credit.

Mr Jackson: I just hope you did not get a hernia getting it here. Okay, my next question. I want to thank Ms Haslam for bringing up the funding cuts in the estimates book. I think you are spot-on if you are concerned about cuts in this area.

Your response, Mr Adams, initially, was that there were—correct me—four or six one-stop access projects. I understand there were at least 12 projects or eight projects originally funded under the Liberals for an examination, just the research, then it was stopped at a certain level. I just want, for the committee's and my own benefit, to take us back to that. I understand where we are now with it, but the background of it was that eight communities were identified by the then minister for seniors, pilot studies were done, the ministry did the assessment, we were never given the reports publicly, and then the moneys to proceed with some projects, not the total, were then cancelled. Can you help me to get a better handle on that?

**Mr** Adams: There were five sites that were identified to go ahead with actual implementation of one-stop access; those were the pilots for the province.

Mr Jackson: How many were in the original study group, though? Twelve and eight ring in my head.

**Mr Adams:** I do not know the answer to that. Interjection.

Mr Jackson: Hansard would not pick this up, but a member of staff indicates that there were only five originally. That is fine. When was the decision made not to proceed any further?

Mr Adams: The decision would have been taken in the fall of 1988.

Mr Jackson: So it stayed on the books through 1988-89 and resurfaced again in 1989-90.

Mr Adams: It came off at the end of 1988-89.

Mr Jackson: What about the geriatric research programs? First of all, the minister can respond to the one-window access programs, where they fit now, but I would like a sense of how many of the geriatric research programs were funded and how many were cancelled.

Mr Adams: None of them got under way.

Mr Jackson: Even the one at McMaster?

**Mr** Adams: That was a different thing. We had \$500,000 distinct from that. The McMaster one did proceed, but then there was \$500,000 to go to the teaching hospitals for geriatric training, and that did not flow.

**Mr Jackson:** Was that part of the interministerial memo for cuts, or was that—

Mr Adams: That money was constrained—

Mr Jackson: It was part of the cabinet—

Mr Adams: One-stop access was stopped, and that is why the \$1.5 million was recovered. Then the \$500,000, there was a constraint levied against that.

Mr Jackson: I was given a copy of one of the reports, and we were in the neighbourhood of \$12 million or \$13 million for implementation—that really well killed that—for the five sites. But the teaching hospitals never proceeded. The McMaster plan: Was that a multi-year plan and are we still funding it?

Mr Adams: I could call upon Mr Youtz, who was very involved in the McMaster plan and can give us indepth on that.

**Mr Youtz:** I am Bob Youtz and I am the manager of economic policy and research.

The McMaster funding was a grant of \$12 million that was given in 1987. That money will continue to be paid out over the 10 years of that grant; I believe that would make it up to 1996-97. They are just running forward and developing programs and materials and working, to the extent they can, with the other health science centres to develop their own initiatives. But that was outside of the geriatric training initiative you are speaking about.

**Mr Jackson:** Are there any other programs you are currently funding in this area of general geriatric research and development?

Mr Youtz: No. We have a small research fund in the office that funds sort of ad hoc projects, but we are not funding any geriatric training.

Mr Jackson: If I might ask you, then, Minister, given that we are getting clear evidence of a shrinking mandate in terms of research and development, which is separate and distinct from what you refer to as a team approach and your participation, are you comfortable with that, that we are actually seeing fewer dollars allocated for you directly to push your agenda, that you are basically left to work it out at the table with several other partners?

Hon Ms Ziemba: No, but this was initiated before I took office, and one of the things I really want to emphasize is that the ministry office was diminishing in strength and in responsibilities way before our government was elected. This was a policy that had been brought in by the former government. So the questions you are asking my staff and that I could not answer were implemented and decided upon by a previous government.

**Mr Jackson:** I made that clear. I was indicating that the evidence is clear that we are in this shrinking mode. I was agreeing and observing it as an event.

Hon Ms Ziemba: That does not mean it will continue to shrink and does not mean that we will not be moving forward.

Mr Jackson: Fair ball, except that you will be responsible for six months of these estimates—not a third of them, not a small portion of them; six months of them—and six months of the spending since September, so that we are dealing with substantive matters—

Hon Ms Ziemba: Since October.

Mr Jackson: Since October. The point I am getting at is that I want to get a sense from you of the extent to which

you define your ministry and your responsibilities. We have seen ministers who want to build their authority so that they have the independence to promote focused geriatric training, and other ministers who do not. I am just trying to get a sense from you, because you are going to need the additional dollars with which to do it. As you did mention staffing, perhaps you could table—not address this at the moment but table—what the staff complement was for this ministry on or about August of this year and what the staff complement and strength is at this moment. I realize my time is up, but if you could respond to that.

1730

Hon Ms Ziemba: If I could just very quickly respond to your question, we will give you the answer on the staffing size, but I do want to tell you that since we have taken government and since I have taken responsibility for the office on 1 October, we have increased and added responsibility to this particular office. One of them, of course, is advocacy; the commission will be within that regime. So we are expanding its role and increasing its mandate and making it a stronger ministry.

**Mr Jackson:** Seniors or Citizenship? The deputy seems to be suggesting it might be different.

Hon Ms Ziemba: It was never a ministry, the seniors' office. It was given to a minister with responsibility.

Mr Norberg: I would add to what the minister is saying, simply in terms of investment of the new government. There has been a significant investment announced which will impact directly on seniors and which will be attached to the ministry. The advocacy commission is an example of that.

Mr Jackson: Which ministry, though? That is my question. I am sorry, Mr Chairman.

**Mr Norberg:** The advocacy commission will report to the minister as a commission with an independent status.

**Mr Jackson:** The Minister of Citizenship or the minister responsible for seniors? In the old government we had a separate Minister of Citizenship. If this were the Liberal government today, with this mandate, we would have a different person dealing with advocacy.

**Hon Ms Ziemba:** We would not have a person dealing with advocacy. Sorry; that was very partisan.

Mr Jackson: I cannot understand your difficulty in answering a straight question.

Mr Norberg: The answer to the question is that the advocacy commission will report to the minister responsible for seniors. The minister is also responsible for people with disabilities, as we know, and for other citizenship issues, but it is one individual, that is, the minister. I think that is the most straightforward answer I could give to that.

The Acting Chair: Thank you, Mr Jackson. You will still have the floor when the PCs' turn comes around in the next round. Mr Owens had the floor for the government. Mr Owens, you are on again.

Mr Owens: Thank you, Mr Chairman. I will pass my time to the next person on the list.

Mr B. Ward: Before I ask my question, this is the first estimates committee I have sat on in my career as MPP. Minister, I think it is your first estimates as well, and I think you are doing a very good job of answering the questions to the best of your ability. I know some of the questions have been very tough, but you keep up the good work.

**Mr Mahoney:** You will get a little extra something in your pay packet.

Hon Ms Ziemba: You have been watching Mr Mahoney, Mr Ward.

Mr B. Ward: Learning from the old pro. He is trying to move up that mandatory retirement.

My community, the city of Brantford and the surrounding area of Brant county, which is in Bob Nixon's territory, has a higher percentage of seniors compared to the national average. In fact, there are plans for a retirement village to be located in the Brantford area which eventually would house approximately 10,000 to 15,000 seniors—just to give you a little background about the concern I have for seniors. They are quite a large contingent of the population in Brantford, so I am very aware of their concerns. As our baby boom ages, obviously it is going to be a greater concern for future governments.

I would like to focus on the appointment that was made shortly into your term as minister of the commissioner to investigate the rest, retirement and boarding homes. In Brantford we have approximately, to the best of my knowledge, around 700 residents who utilize these type of facilities. Obviously, I have a great concern for the fact that to date they have not been regulated and there is potential for abuse of the system by these facilities' owners or managers. There is interest in the city of Brantford for this commission to hopefully make some appropriate recommendations towards establishing provincial standards as far as the rest, retirement, boarding homes are concerned.

The owner-operators I have talked to run very respectable establishments, and they are encouraged that there may be eventually some standards set which would allow them to operate in a very uncontroversial manner, because right now there is perhaps a perception that this particular area may be tainted because of what happened in Orillia, I believe it was. They are pleased to see that this commission is finally on the road, willing to consult throughout the province. We hope it will come to Brantford so there can be opportunity for discussion in my community towards what should be respectable standards and regulations.

I was just wondering if you could perhaps expand on the role the commissioner will play, as far as having him and the commission tour the province is concerned. I believe you stated that a draft report will be received by yourself in early April, at which time, as far as your direction is concerned, you can see if it is heading in the proper way, with the final report due in July. I would appreciate it if we could expand a bit on the concept for this commission. And do you feel confident that the time lines can be met, recognizing that some intangibles occur from time to time?

Hon Ms Ziemba: It is a great concern also to people who operate unregulated homes. I have spoken to their organization a number of times and had delegations and attended their conference, and they too want us to move towards regulation and clear up the mess that is there. They feel very strongly about setting standards and guidelines in place, and I commend them for that. It must be very difficult to operate an honest facility when other people are dragging their name in the mud, so we do encourage that and I am pleased they are on board with what we are doing.

The commission has a lot of information that the office for seniors and the office for disability issues has already in their hands, so we know where some of those facilities are and we know how many people are using them. We do have some of that information, so I feel we can meet those time frames in the six months we have given to Mr Lightman. We know it is a very heavy time frame but we have the confidence that he will be able to do that, and he will be going around meeting in various areas of the province to make sure he does hear from a number of groups of people. He is accepting written briefs, but he has expanded that to verbal briefs, because a number of people who wanted to express their concern and who had ideas might not feel as comfortable in presenting a written brief, so we expanded that as well.

His mandate covers making sure that we get the information of what is out in Ontario: how many people are using these facilities, what the types are, the definition, and taking—I hate to use this word—but a census of what we are faced with, and then coming back with very clear ideas on how we can change that.

### 1740

We do have some information, so that will facilitate the speed of his commission. But also by being able to get out into the community who have also done work along that line, and sharing their experiences and their ideas with him, we believe we can come together at the end of six months. Now we did put in the option of giving a preliminary report to me in April, so we do have some understanding how the work is going. We can either speed it up or change the direction or whatever has to be done.

That was very important, I think, and the fact that I am in contact with him on a weekly basis also gives me an indication of how far advanced his work is going. If he needs more assistance, whether it is staff, more time, we can do that for him. So I am feeling quite confident we are going to complete it by July.

Mr B. Ward: I have other questions, but we have plenty of time, tomorrow I guess.

The Acting Chair: You still have some time in this round, if you want to use it.

Mr B. Ward: I believe my colleague has some.

Mr Hansen: My area gets into the Ministry of Transportation. I do not know how much your ministry is dealing with the Ministry of Transportation. I know it is with Health and Housing. I come from a rural area with very little, if any, public transportation. I have had quite a few complaints from seniors in my particular area on the retesting

of drivers, yearly. I can tell you that the ones who wrote me letters might not run like a hare, and might be closer to a turtle as it is right now, under speed, but I can tell you they are sharp enough.

They are complaining to me that some 17-year-old or 18-year-old who gets his licence does not have to get retested, "But I am 75 and have to be retested." The thing is is this: "I attend at the doctor about once a month to get checked up on my health. My health has not deteriorated, yet I still have to take the test."

The other thing is that in a small sleepy town like Vineland there is not much traffic, but where they make them go to take his test is in downtown Hamilton. He is not used to the traffic and everything else. I have had quite a few of them come to my office. They feel it is unfair. They are being discriminated against because of age, and it is not because of their ability to drive. I do not know whether your ministry has got to this area. I think an answer from you today could satisfy a lot of the seniors I have in my area. What we do is, it is a rural area; there are a lot of farmers and they are retiring. They are out. Quite of few of them are really retiring in the next couple of years, so it is an important issue to them.

Hon Ms Ziemba: I share your concern. I think medical technology has actually advanced the age and helped people live longer lives and more productive lives. We have to review some of the things that have been in place for a long time. That is something that we will be reviewing and looking at, and seeing how we can look at that and make it more equitable.

But I understand their concerns, especially if they are driving in one area of the province and having to take their driving test in another. That is something I will make sure I look into. I had not realized that people from Vineland had to go to Hamilton to be retested, so I am glad you have shared that information with me. I really feel it is important, in this type of dialogue we are having today, that I hear these little stories and have that information.

If we do not have the time, then I certainly wish people would stop me in the hall or whatever, and tell and share with me, rather than even worrying about writing letters that might get lost on other desks.

Mr Adams wanted to add something to that.

Mr Adams: Just three little points that may be of relevance here: First of all, we are collaborating with the Ministry of Transportation in running a sensitization course for their driver examiners so that they can relate better to seniors, because after the last voluntary exit opportunity, they found that for all their examiners the average age was 31 and a 31-year-old does not necessarily does know how to relate very well to an 84-year-old person who is very nervous and so on about trying a driver's examination. We have been running those courses with some success in the past couple of months.

The second thing for which we have a proposal before the Ministry of Transportation is that we would collaborate with them in the development of a special kit to be sent to everybody when he turns 80. The computer would kick out the indicator, and this would prepare seniors especially for their driver's examination. Some of them have never been tested in their lives. It was possible 50 and 60 and 70 years ago to get a driver's licence without ever having been examined, so you have somebody now coming up who has never taken a driver's examination and that can be a very fearful thing. We particularly want to get a kit in front of them that will tell them in a very positive way what to expect and how to prepare for it.

The third thing—it is just a proposition we are exploring—is to raise the idea with the Ministry of Transportation that seniors could be tested at seniors' centres and that the driver examiners could come and do it in a friendly location at a place convenient to them. That is one we have just raised with them very recently and we are pursuing that.

Mr Hansen: That sounds great. I think seniors in my riding will appreciate hearing that. This is what they are asking for, somebody to come in part-time into Grimsby or Beamsville for a couple of hours to be tested.

On another question, I have read in other places and I have not seen it here, but we get to the point—we are talking about women on pay equality and employment equality and we talked about 39% of women who are unionized here in the province. I have heard in the past that women are becoming more wealthy as time goes on in the sense that they live longer than men and control most of the wealth.

Hon Ms Ziemba: It is a myth.

Mr Hansen: Okay, I have been reading the wrong paper.

Hon Ms Ziemba: Substantiated by males.

Interjection: Could it be rectified?

Hon Ms Ziemba: Actually, I would like to respond to that because NAC, the National Action Committee on the Status of Women came out with some findings and women are actually falling behind the last few years. It used to be that we would throw around a stat that women made 66% to 68% of what males make and it turns out that they have gone down to 61% and in some categories; for visible minority women it is down to 21% and for native people it is down to 12%. So we are seeing a really wide variance and discrepancy and women are really falling behind.

Mr Hansen: So with immigration it is falling.

Hon Ms Ziemba: It really has in the last number of years. Women have fallen behind again.

Mr Hansen: I will have to get different papers to read.

The Acting Chair: Back to the official opposition. In a very interesting question period a while ago you used up 19 minutes, Mr Mahoney, on mandatory retirement age and what have you. We now have 11 minutes left. We will all be back into our 15-minute rounds if you will use up the 11 minutes, Mr Mahoney.

Mr Mahoney: Thank you. I thought we used it up collectively between me and the minister.

Mr Jackson: The minister and I.

The Acting Chair: This is not an English lesson. You can go ahead and state your case.

Mr Mahoney: Just to finish up, actually, on that, if I could, because I know Mrs McLeod has a question and I want to leave her time to do that. You had stated you were interested in bringing forth an amendment to the Human Rights Code to deal with age discrimination. A couple of things and maybe the staff have to answer this: Does that require legislation or can it be done by regulation? That is number one. Can you tell me that?

**Mr Norberg:** The Human Rights Code presently protects people up to the age of 65 only, so we would have to amend the code to make an adjustment to that.

Mr Mahoney: By legislation?

Mr Norberg: Yes.

**Mr Mahoney:** Can you give us a commitment as to when you will introduce such legislation in the House?

Hon Ms Ziemba: Shortly.

**Mr Mahoney:** Shortly this coming term, this coming session?

**Hon Ms Ziemba:** Probably not this term, probably the next term.

Mr Mahoney: So you are saying the next fall-winter sitting of the Legislature it will be coming forward?

**Hon Ms Ziemba:** It would depend on how long we debate all the other issues that we bring forward.

**Mr Jackson:** As the Liberals used to say, in the fullness of time and there are many things not immediate.

Hon Ms Ziemba: We have picked up these lessons, Mr Jackson. Thank you.

Mr Mahoney: I am not necessarily looking for how quickly it would subsequently be passed, etc. I am looking for an introduction as to when you are prepared as the minister—you have said you support it. When are you prepared as the minister to introduce it?

**Hon Ms Ziemba:** As soon as I can, in the fullness of time.

**Mr Mahoney:** I thought your first answer was better than that, actually.

Hon Ms Ziemba: I like that. Interjection: It works.

Hon Ms Ziemba: Yes, they are training me well.

Mr Mahoney: I almost had you down to at least the fall.

Hon Ms Ziemba: By the end of this five-year mandate.

Mr Mahoney: Oh, yes, that one I have heard from the Premier till he is blue in the face. You know, "We will do it within the term and life of the government." I would hope that on behalf of seniors, you would introduce it quickly and expeditiously, because frankly I think it is going to result in a lot of debate.

I think we have to recognize that as much as there are some of us who fully support the concept of choice in this situation, there are a lot of people who will argue against it, so it could require some committee hearings and some debate and maybe even some acrimony before it is all done. I would suggest that it would be in the best interests of supporting the statement that you have made that you indeed are in support of that amendment that you introduce

it as quickly as possible. I will turn it over to Mrs McLeod and if there is time, I have something else.

Mrs McLeod: I just want to add a supplementary to this line of questioning. I am also pleased to hear your commitment to looking at the issue of mandatory retirement and amending the Human Rights Code. I think that it requires doing more than an amendment to the code, although that is obviously a very important and positive step. But to avoid the kind of resistance and acrimony that Mr Mahoney just referred to, it seems to me that there has to be a very proactive approach taken to dealing with some of the concerns that may impact seniors as mandatory retirement is ended.

You indicated the pension issue, the economic issues, which can be a barrier to people choosing retirement and continuing to choose retirement if mandatory retirement ends. Obviously that is one of the issues that has to be addressed.

You have also talked about alternatives and helping people to develop recreational alternatives, career choice alternatives at earlier stages in their careers, and I think that those are important issues not just to talk about, but to begin some consultation and development on.

The other one I would like to ask you is whether or not you have considered or would consider some extension of what is now considered early retirement options. One of the positive aspects of what developed as an early retirement option is that people did not have to make an all-or-none choice, that they could retire but continue to have access to the workplace one day a week or two days a week so that they were able to phase out, but still keep that contact. I wonder if, as you consider ending mandatory retirement, you would look at the development and the encouragement of flexible semiretirement options.

Hon Ms Ziemba: The Minister of Labour, I believe, is addressing those issues at the present time and I will be discussing that further with him as well. I think those are things that are being addressed in that particular ministry at the present time. If you like, I could look into it further and see how far advanced they are, what work they are doing on that. But that is under that jurisdiction of that particular ministry.

Mr Mahoney: I think rather than go into new discussion, maybe I will just finish off in the last five minutes with a couple of points on the mandatory retirement. There is lots more we can talk about tomorrow. Do you, Minister, know the position of the Ontario Advisory Council on Senior Citizens with regard to the mandatory retirement issue?

Hon Ms Ziemba: We could ask Mr Hughes.

Mr Mahoney: Are you aware of their position?

**Hon Ms Ziemba:** Yes, but would you like to have Mr Hughes respond to you right now?

Mr Mahoney: Minister, if that is what you would like, that is fine.

Hon Ms Ziemba: Well, I know. Yes, I understand—

Mr Mahoney: Then why do you not tell me what their position is?

Hon Ms Ziemba: But I do feel that Mr Hughes is sitting here.

**Mr Mahoney:** That is fine. I have no objection to that. He would have to come forward to the microphone.

Hon Ms Ziemba: Please come, Mr Hughes. He is sitting here all afternoon. I think it is a good opportunity to—

Mr Mahoney: A little exercise?

Hon Ms Ziemba: Mr Hughes is the vice-chair of the advisory council.

Mr Hughes: Sounds like a great buildup, Mr Mahoney. I am sorry I cannot give you our position. I know we wrote to the minister and we expressed views, but I do not know what they are. I am sorry.

Hon Ms Ziemba: Okay. The view that I received from the advisory council was that the preference would be to abolish mandatory retirement and to look at various other aspects. They looked at it more as a human rights issue.

Mr Hughes: Yes.

**Mr Mahoney:** Is that in a report form or in some written form that perhaps our committee could be provided with?

**Hon Ms Ziemba:** We could get that for you, if you would like, tomorrow. I will have lots of information tomorrow.

Mr Mahoney: I think it would be helpful, because even if time is marching on, your amendment, I assume from your comments earlier, would not be coming in the next sitting of the Legislature so at the very earliest it would be in the winter sitting.

Hon Ms Ziemba: To amend the Human Rights Code requires a lot of work. It just cannot be brought forward in a very quick way, and once you start amending the Human Rights Code there are many amendments that might be brought forward and we are not going to bring one piece at a time. I think we want to do it in a very broad way and bring many different changes to the Human Rights Code. At least I would like to.

Mr Mahoney: You see, that is part of the problem that I have and that is where I see the conflict between your role in relationship to the Human Rights Code and your role as an advocate for seniors. We clearly have identified an injustice in the area of senior citizens' affairs. You have agreed with it. Clearly there will be others who do not. But at least the issue has been identified.

What I started out saying in my opening remarks today is that I am concerned that issues of just fundamental importance to the group that you advocate on behalf of, the seniors, will get lost in the shuffle of all kinds of additional amendments that are required and the complications.

We have identified that there is an injustice in the area of human rights by discriminating against people based on a magical figure of 65 years of age. You have agreed with that. Why do we need to throw it into the spaghetti pot to come up with some amendment that could indeed take years? Why can we not deal with it unilaterally and have it brought forward? If you are not prepared to bring forward an amendment—I understand it would have to be done

properly so that it could survive a court challenge or any of that type of thing, and I support that.

Will you at least begin the discussion on the item in some public way so that we can work towards a format where we would have an opportunity to get the various opinions? There may be members of your caucus and mine who do not agree with you or me on this particular issue.

Just sort of saying the motherhood statement, "Yes, I agree that it is unfair," but not putting into place something to actually get the issues on the table, bothers me. I am afraid that seniors are getting lost in citizenship issues, rather than having their advocacy put forward in a clear, effective way.

Hon Ms Ziemba: But just think, Mr Mahoney, if I was just an advocate for seniors and I had to go and con-

vince another minister about this issue, he might even disagree with me. Then we would really be far behind, but at least I am sharing the concerns and I have both hats so I think I can move a little bit farther and faster ahead.

The Acting Chair: On that note of agreement, it is now 6 o'clock. I want to thank the minister. I now declare this committee adjourned to reconvene tomorrow morning at 10 o'clock in this room, at which time the Progressive Conservative Party will have a 15-minute bout, the government will have a 15-minute bout, and we will return to the normal sequence.

The committee adjourned at 1754.

#### CONTENTS

#### Tuesday 19 February 1991

Ainistry of the Environment	E-211
Afteroon sitting	E-233
Office for Senior Citizens' Affairs	E-233
Adjournment	E-264

#### STANDING COMMITTEE ON ESTIMATES

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## Legislative Assembly of Ontario

First Session, 35th Parliament

## Assemblée législative de l'Ontario

Première session, 35° législature

# Official Report of Debates (Hansard)

Wednesday 20 February 1991

# Journal des débats (Hansard)

Le mercredi 20 février 1991

### Standing committee on estimates

Office for Senior Citizens' Affairs Ministry of Northern Development and Mines

## Comité permanent des budgets des dépenses

Office des personnes âgées Ministère du Développement du Nord et des Mines

Chair: Cameron Jackson Clerk: Franco Carrozza Président : Cameron Jackson Greffier : Franco Carrozza





#### **Table of Contents**

Table of Contents for proceedings reported in this issue appears at the back, together with a list of committee members and other members taking part.

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#### LEGISLATIVE ASSEMBLY OF ONTARIO

#### STANDING COMMITTEE ON ESTIMATES

#### Wednesday 20 February 1991

The committee met at 1006 in room 228.

#### OFFICE FOR SENIOR CITIZENS' AFFAIRS

The Vice-Chair: Good morning, everyone. We are very tight for time today as we have the Ministry of Mines coming in at 3 o'clock this afternoon. We have three hours and seven minutes remaining for the estimates of the minister for seniors, and the first spokesperson this morning is Mr Jackson for the PC Party.

Mr Jackson: Thank you, Madam Chair. Minister, yesterday in my opening comments I made reference to the growing trend towards restricting access for seniors to certain medically necessary treatments, which has evolved in this province to a lesser degree than it has in other provinces. Do you have, or have you asked for, an inventory of those treatments and procedures to which seniors do not have equitable access in this province?

**Hon Ms Ziemba:** Have I asked for those particular questions formally?

Mr Jackson: Yes.

**Hon Ms Ziemba:** I have not asked for them formally, but I do know the answer.

Mr Jackson: Should I wait for you, or should you wait for me?

Hon Ms Ziemba: I will wait for you.

Mr Jackson: Okay. If you have an answer-

Hon Ms Ziemba: I said I know the answer.

Mr Jackson: You know the answer, but you have not asked for it. Okay. It strikes me that you are responsible in this province for matters of equity, and discrimination matters are of concern to you. I wonder when you will be commissioning an informal inquiry through your ministry, or one of your four ministries, as to those services which are age sensitive and represent a barrier to seniors.

**Hon Ms Ziemba:** You want me to give you a date.

**Mr Jackson:** I did not say anything about a date.

Hon Ms Ziemba: But you said when?

Mr Jackson: No. I said, because of the concerns you must have wearing these four hats, are you interested in calling for a list, and if you are, when would you be pursuing these kinds of questions because of your responsibility for seniors and your interest in matters of equity and discrimination?

**Hon Ms Ziemba:** I am constantly seeking answers and I am constantly addressing the needs of seniors.

Mr Mahoney: In the fullness of time.

Mr Jackson: Well, if you are constantly—

Hon Ms Ziemba: I just asked him when and he said he did not want to know when, so I just sort of—you first said you wanted when and then you said you did not want when.

Mr Jackson: I am just trying to understand from you your level of commitment. "Constantly" this and "constantly" that—I can appreciate all ministers would respond in that fashion. I am simply asking if you had a list. You said you do not. I simply wanted to know if you are interested in getting a list so you can understand the problem. You are constantly in a state of interest and you are constantly in a state of support. I am just asking you when you are going to be in a consistent position to understand the total breadth of the problem.

Hon Ms Ziemba: I guess because of my previous life, I do have some of the information; I might not have all the updated information. But you must understand that we inherited a situation that had been there in a process, and I cannot apologize for the previous government's initiatives or lack of initiatives.

Mr Jackson: Yesterday in response to a question you indicated that amendments to the Human Rights Code were a complex, multifaceted sort of issue and it was not as simple as just amending it. The deputy indicated that persons in this province over the age of 65 are not covered by that. I would imagine that as minister you are very concerned, from your many hats, to be against this exclusion and to be interested in its implications for access to services. It should be a right for a senior in this province to have access to a retina transplant and not be told, "Because of your age, it's not economically equitable for society to provide you with those medical treatments." If they were covered under the bill of rights, a citizen in this province who is a senior citizen would have a right to be able to request that service. Again, I would ask you: To what extent are you examining the problem? Is this part of what you are looking at in terms of future amendments to the Human Rights Code?

Hon Ms Ziemba: I must clarify the position, Mr Jackson. Maybe it is because somebody else had asked the question that you do not quite understand. The Human Rights Code protects every citizen of Ontario for levels of health. Where seniors are not protected is under the employment act, but they are protected in the Human Rights Code when it comes to health issues and when it comes to other issues. We were yesterday discussing the issue of employment, and that is where the act stops at the age of 65.

Mr Jackson: Thank you for correcting the deputy, because I was relying on his reference in Hansard.

Hon Ms Ziemba: No, I think the answer and the question were related to employment—though I should perhaps let the deputy protect himself.

Mr Norberg: Thank you, minister, I would be glad to do that. The Human Rights Code limits its protections in

employment to people aged 18 to 65. That is the specific reference I was making yesterday in answer to the question related to mandatory retirement.

Mr Jackson: Minister, if you are the minister responsible to strike down discrimination, how soon will you be eliminating this access to medical treatments which represent a barrier for seniors based on their age.

Hon Ms Ziemba: If I understand your question, I think I would have to say that I will refer that and ask my colleague in the Ministry of Health to make sure that discrimination is not happening in access to health services.

Mr Jackson: What you are saying is that you are just going to talk to the minister about this. Yesterday we determined that geriatric research is not being undertaken by your ministry and you had no immediate plans on the horizon to develop that. Can you share with this committee what geriatric programs and initiatives the Minister of Health has undertaken?

Hon Ms Ziemba: I would like to clarify another point. Yesterday's conversation in relation to geriatric health was in relation to what the former government did. I did not say what I was going to do.

Mr Jackson: I did ask you the question, and you gave that response. We clearly separated the former government's commitment to geriatric research. I asked your deputy and your assistant deputy minister of seniors if there was anything being planned and they said no. So I am moving from specific current policy instructions to the minister's policy approach and your level of commitment. If you have not discussed geriatric research since your appointment in October, that is fine. But if you have discussed it, have you discussed it with the Minister of Health and is she doing anything? If she is not doing anything, when are you going to be inquiring about her doing something? That is the question. This is all a new line of questioning. In terms of restating what you put on the record yesterday, I do not think that is helpful, unless you enjoy repeating yourself.

Hon Ms Ziemba: There is an ongoing dialogue with the Ministry of Health, and we are in the process of looking at new initiatives. As we have not finished formulating our new initiatives program, I am not at liberty to discuss this with you at this time.

Mr Jackson: Okay. You would be familiar with the Ontario seniors property tax grant and the number of times it has been increased in the last six years. Do you consider that adequate, at present?

Hon Ms Ziemba: No, but as I said to you just previously, I am not going to speak on behalf of the former government.

Mr Jackson: No, I asked you if you find the current rate, which you are implementing—

Hon Ms Ziemba: And I just said no.

Mr Jackson: You do not consider it adequate.

Hon Ms Ziemba: And that is why we have appointed a Fair Tax Commission by this government to look at all the various aspects of taxation.

Mr Jackson: Its mandate, as you know, is for threeplus years. Are you suggesting that the matters of adequate funding rate should wait for three years, or do you feel that you are in a position to recommend it be increased as you find it inadequate at the moment?

Hon Ms Ziemba: I will be looking at the recommendations brought out by the Fair Tax Commission. I am sure they will be bringing recommendations in at a sooner time than three years, and we will be looking at all the recommendations and how I feel in the next little while.

Mr Jackson: But at this point, if they do not report-

Hon Ms Ziemba: I must repeat that the last six years were under a former government, and I will not address how they should have acted or not acted.

Mr Jackson: Oh, they increased it. I think the former government has nothing to be ashamed of. They increased it. You have stressed issues of poverty, issues of affordability, and I just wanted to find out if you, as well as some of your other cabinet colleagues, looked at the issue of affordability and equity and are relying on the commission to report in three years before making any specific public recommendations for its enhancement. If the commission does not report for three years on this issue, that is sufficient, as far as you are concerned at this time.

Hon Ms Ziemba: I did not say it was sufficient. I said I would be looking into the other aspects if they did not come back with a sooner recommendation. Their mandate is for three years, but they will be coming forth with recommendations sooner.

Mr Jackson: Yesterday you talked at length about our native populations in this province, or Canada's native people. You mentioned about treating them a little differently. When I look at the current membership of the Ontario Advisory Council on Senior Citizens, can I ask you when you will be appointing a native member to that council? Perhaps the assistant deputy minister can answer if he has the information.

Mr Adams: The advisory council will have one vacancy occurring this spring. It is my understanding that the minister wishes that to be advertised. Presumably, interested parties will apply and from among them, one person will be picked.

Mr Jackson: That is fine, but what I am asking—when I look at the advisory committee, it could be enhanced. With your primary objectives in this province to deal with equity, multicultural as well as native representation on this committee would be appropriate. I wonder to what extent this is a priority, and if we can get your assurances that the next one or two nominees from your government will be in the interests of promoting that equity.

Hon Ms Ziemba: All of our appointments are in the interest of promoting equity. Again, the appointments were under the previous government, so the advisory council sitting there right now were appointed by another government. But, yes, we will be looking at all of our appointments to all of our boards, commissions and agencies that will make sure they reflect Ontario, whether it is the gender composition,

whether it is multicultural or the native community. We have been very good so far in being able to do that.

The Vice-Chair: Thank you, Mr Jackson.

Mr B. Ward: I guess I have two areas I would like to focus on: one, briefly, on the line of questioning of Mr Jackson, that is, the Fair Tax Commission and tax issues as far as seniors are concerned. I am pleased to see that you are referring the tax issues of seniors to the Fair Tax Commission. It is my understanding that this commission—I believe it is on the record through our Treasurer-will be making ongoing recommendations, that we will not be expecting a 1,000-page report at the end of three years but we should have ongoing recommendations throughout the three-year mandate of this commission. Perhaps the minister can confirm or elaborate on that aspect, that we perhaps do not have to wait three years for recommendations that pertain to seniors and the entire tax situation seniors face, which encompasses a number of areas, not only the area Mr Jackson mentioned.

#### 1020

The other area I would like to focus on is the use of volunteers. I notice in the statement you made yesterday to this committee that you have approved 20 more volunteer management training workshops, which will be held by the end of March. I firmly believe this is an excellent way to assist seniors.

In Brantford we have a seniors' home jointly owned by the county, the city and the province, the John Noble Home, which we have recently renovated through generous grants and moneys allocated by the three government bodies, approximately \$13 million. I would like to think this is a quality residence the seniors can now enjoy in our community, but I believe the home is heading in the direction of having more volunteers, particularly young people, encouraging young people to get involved in assisting and working with seniors.

I was wondering if you could elaborate on what these workshops are intended for, and whether you anticipate that in the future we may have additional workshops made available in communities throughout Ontario. I like to focus on young people, because I think seniors have a lot to give to our community when you look at the wealth of experience they have in life, and I think they could give a lot of good advice to our young people, and we should be encouraging young people to work with seniors in every way possible. I hope these workshops will attract young people in Ontario to come out and volunteer their time to the assistance of seniors, whether they are in retirement homes or community facilities or private facilities.

I was wondering if you could touch on those two areas. I am very interested, first, in this Fair Tax Commission and the excellent questions Mr Jackson brought forth dealing with the issue of taxation when it comes to seniors, and the fact that the tax commission will be ongoing; and the other aspect, which I do not think has been touched on yesterday or today, dealing with the volunteer component of our communities, that we should be encouraging more people to volunteer, to assist and give their time to the seniors. I am very pleased to see that we anticipate having these

workshops held by the end of March. I was wondering if you could briefly comment on those two issues.

Hon Ms Ziemba: You are correct. The Fair Tax Commission, although it has a three-year mandate, will be coming back with its recommendations continuously, and we will be able to look at those recommendations on a frequent basis and address our issues and concerns; we do not have to wait for the three years.

On volunteerism, it is extremely important in this province. We have always recognized that fact and encouraged people to participate in the volunteer programs. My staff just wanted to let me know, through me to you, that on 7 November there was a workshop held in Brantford. I believe it was a good turnout, and people participated in that aspect of volunteering. The workshops will continue, and they are an important aspect.

Having worked in a non-profit social service agency, we relied very heavily on our volunteers. We also found that the volunteers needed a little more than just coming in and having a job description and going out; they needed that extra support, to talk to other volunteers to find out how they can best serve the community. Having volunteer workshops to expand on their needs and hear their concerns, and also give pointers on what can be done in the community, certainly helps and encourages volunteers, but it also helps retain volunteers. Volunteers come for a reason and a purpose, and those needs have to be met—they do have needs—and having workshops so that people can best understand why they are volunteering and what their needs are and how they can best help in their community serves a dual purpose.

Volunteerism should not be restricted to a certain age group. Depending on the volunteer, I sometimes felt the person who was receiving the volunteer aspect was giving as much as the volunteer was; it is a two-way street. I think most volunteers realize that after a short time, that they have participated and they have given, yes, but they have received back, and it is a very good feeling all around.

In our own agency, we used young people frequently. We had a school that participated in our meal delivery service, but we had another school that participated in our older adult centre by coming on a weekly basis and playing games or sitting and talking. It was not only the seniors who enjoyed having the young people there, but the young people who enjoyed having the opportunity to sit down and talk to a senior or have that activity. It was a two-way street, and the participation was enjoyed by both.

We have to remember that: Volunteerism is a two-way street. It is very important, but we have to give volunteers the motivation. We certainly need to explain and promote the idea of volunteerism, because it is so important in our society and we cannot do without volunteers, whether it is in the seniors' office or in other aspects of our Ontario society. We have to make sure we continue with our projects and our workshops, because it is a very meaningful experience for all of the communities involved.

Ms Haslam: I was looking at page 7 of your estimates, dealing with corporate services. Under "transfer

payments" it says "decrease resulting from a revised mandate." Can I have a clarification on that line?

Hon Ms Ziemba: I would like to pass it over to the deputy, and thank you for asking the question on estimates.

Mr Mahoney: It is not a setup.

Ms Haslam: It is not, as a matter of fact, Mr Mahoney.

Hon Ms Ziemba: No, I did not know it was coming. That is why I referred it to my deputy. If it were a setup I would have answered it.

Mr Mahoney: Then why are you all smiling?

Hon Ms Ziemba: Because we are finally going into estimates.

**The Vice-Chair:** We should be very clear that it is in order for any questions pertaining to the ministry to be asked during estimates here.

Ms Haslam: I just like to ask estimates questions.

Interjections.

Ms Haslam: If you keep this up, I will get an extra minute of my time.

Interjections.

The Vice-Chair: Mr Perruzza, Ms Haslam and the deputy at the moment have the floor.

Mr Norberg: As was mentioned briefly yesterday by Mr Adams, there was a reduction in the mandate of the office during that period related to the removal of the onestop access funding from the budget of the office for seniors. Also, there was some other project funding removed at the same time, so both of those together total the \$2 million reduction you see there.

Ms Haslam: When you said the one-stop access was gone, where did it go? Was it just cut out of your budget? Was it moved elsewhere? It says "resulting from a revised mandate," and that was my question.

1030

Mr Norberg: Yes, there was a decision by the previous government not to proceed with the one-stop access pilots for which we had funding in the office for seniors, so in fact that funding was removed from the budget and did not go elsewhere at that time.

Ms Haslam: Were any of the functions—bear with me, because I am new in this building—from the ministry removed and sent to other ministries?

Mr Norberg: There was some policy work taking place in the office for seniors related to what has essentially become a long-term care exercise, and that policy work was consolidated in a new division which spans the two ministries of Health and Community and Social Services. Although the policy people and the policy work on that initiative is not taking place in the office of seniors at this time, it is in this new division spanning the two ministries. The office of seniors, and certainly our minister, as she mentioned yesterday, are very much involved in the ongoing consultations, particularly with respect to the new government deciding on its approach and policies on long-term care. As the minister mentioned yesterday, that is

really the topic of discussion at the present time between her and the other two ministers.

Ms Haslam: Excuse me, I apologize. Would you turn his mike up just a bit for me? Can you do that?

Interjections.

Ms Haslam: Go ahead and answer, just that last bit I was mentioning.

Mr Norberg: I was mentioning that the policy work related to long-term care which had at one time been going on within the Office for Senior Citizens' Affairs was moved to become integrated with the new division which is established spanning the ministries of Health and Community and Social Services. That is a division which focuses all of its attention on policy and delivery related to long-term care. Although the policy staff were removed from the Office for Senior Citizens' Affairs, there are three ministers who are in fact responsible for spearheading that initiative, the ministers of Health, Community and Social Services, and of course our minister responsible for seniors and disability issues. Our minister is presently involved in discussions with the other two ministers aimed at deciding upon this government's position on long-term care and directions in relation to the policy document which, as you know, was released by the former government, titled Strategies for Change. That is the predominant activity at present in long-term care.

Ms Haslam: I must tell you that I had feedback in my own community on Strategies for Change. During the campaign they asked all of those running for office to come in and discuss that. There was a lot of concern about the input on Strategies for Change, and I would like to bring that to your attention. I was called into Spruce Lodge, which is a seniors nursing home and a seniors centre and a major area in my area about seniors. They were quite concerned about input on this particular document.

Mr Mahoney: Minister, the area I would like to delve into a little further has been raised by Mr Jackson yesterday in some areas, but I would like to go at it perhaps in another light. You made the appointment of Mr Lightman as a commissioner, and I certainly applaud that move. My understanding is that his mandate is to look into the results of the coroner's jury report and to bring a report to you on issues in unregulated residential facilities in the province.

I have no difficulty with such a commission, and for long-term planning in these facilities I think it could be helpful. Part of my concern, however, is that the coroner's jury made a number of specific recommendations, and I am somewhat concerned that this is another study project or another way of providing some sort of armour for the government to justify inaction in certain areas or perhaps not moving in certain areas recommended by the coroner's jury; that you simply appoint a commissioner—great fanfare, etc—and then wait for the results of that commission. Once again, I want it to be clear that for Mr Lightman to look into this and make a report is helpful, I think, for everyone concerned, particularly for people who have loved ones in these facilities, to put their minds at ease, and long-term is good.

But there were specific recommendations. First of all, the jury recommended that the government increase the stock of housing for adults needing care. The Minister of Housing, the Honourable Dave Cooke, has recently been quoted—accurately, I assume—that the 20,000 non-profit units committed and promised in the agenda for power cannot be met this year.

Mr G. Wilson: Agenda for People.

Mr Mahoney: I thought it was an agenda for power.

Ms Haslam: You would.

Mr Mahoney: I think it was an agenda for power, but I will call it the Agenda for People just so it is not too political. There were 20,000 non-profit units committed in that, and Mr Cooke has stated that it cannot be met this year. How does that respond in any way to the coroner's jury report? Do you see the recommendation on housing for adults needing care being part of that 20,000, or do you and perhaps the Minister of Community and Social Services have another plan to increase the number of housing units for adults needing care?

Hon Ms Ziemba: I would like to clarify something; perhaps it was just your choice of words. I do thank you for applauding our government for appointing Mr Lightman to the commission. He is not appointed to look into the coroner's report. It is out of a recommendation from the coroner's report that we actually appointed the commission. There were 85 recommendations; one of the 85 recommendations was that the Premier appoint immediately a commissioner to look into unregulated homes, whether they were boarding and lodging homes or rest and retirement homes. We have followed that recommendation of the coroner's request; in fact, we followed that recommendation within 24 hours of the coroner's request being made public.

I feel we did respond to the coroner's recommendations on that particular point and we are looking at the other recommendations as well immediately. I must admit that I am extremely pleased that our Premier and our government responded as quickly as it did and did not stall and did not, as you say, put an armour on to protect it.

I cannot respond to the Minister of Housing's statement you asked me about. I would think that when he is here before estimates you would like to ask him that particular question. I do not think it behooves me to respond on his behalf, nor do I know the quote you have alluded to, so I do not think I want to respond to that.

I would like to mention that the Minister of Housing, along with the ministers of Community and Social Services, Health and ourselves, has come out with a pilot project—it is called the Rupert Hotel Coalition—which does address what the coroner's inquest had also recommended. It is a very exciting proposal, and this has been announced. Our ministry is involved in providing a small pilot project of one advocate to test our advocacy commission, and we are looking forward to working along these lines with this particular coalition and this particular project.

Mr Mahoney: I would not ask you to speak on behalf of the Minister of Housing or any other minister or the

Premier. I am interested in you speaking on behalf of seniors, and the question was very simple.

Hon Ms Ziemba: Could you repeat it then, please?

**Mr Mahoney:** Yes. Without the preamble, the question was: What are you prepared to do to increase the stock of housing for adults needing care?

1040

Hon Ms Ziemba: I am working with the various ministries to make sure the stock of housing available to seniors is increased, along with what was missing from the long-term reform plan that was announced by the previous government and the Strategies for Change. This was the fact that looking at the various housing, rest and retirement homes had been left out of that package and we are looking at how we will address that in our initiative.

Mr Mahoney: With respect, we can spend all day, I suppose, criticizing former governments: the Liberal government, the Conservative government. The day will come when you too will be a former government and will be subject to such criticism. But I do not find that terribly constructive when we are talking about what this ministry and this government is doing.

The concern is that a coroner's jury has made a clearcut recommendation. You folks made a clear-cut promise. The statement is now being made that that promise, among other promises, cannot be delivered upon. As the advocate, and we talked about this yesterday, for senior citizens' affairs around the cabinet table, we need to have some assurance as members of the legislature that you are going to put forward as strong a case as possible, to treat this as a priority, because of a coroner's recommendation, not just because of some political promise in some vague document but because of a coroner's recommendation that resulted from a tragic death of one of our seniors.

With respect, Minister, I get the sense that you are going to again consult interministerially as opposed to fight as an advocate. I would just like some sense of confidence that you consider the increasing of stock of housing for adults needing care as a priority, that you are prepared to make that a priority and fight for that based on the coroner's recommendation. You have a very powerful document to go to your cabinet colleagues with. You do not have a political document; you have a coroner's recommendation. I think you have some serious ammunition to show to the Premier, the Minister of Housing and your other colleagues in the cabinet that they should be taking very seriously. I would like some assurance that you are going to do that.

Hon Ms Ziemba: I guess on my phrasing of words when I say that I am consulting with other ministers, I will now change that and say that I am advocating on behalf of seniors to other ministries. I feel that I will be doing that, that I have been doing that and that I will be looking after the concerns of seniors. You keep saying that I criticize former governments, but then you criticize other ministers and I feel that I have to respond to that.

Mr Mahoney: On a point of order, Madam Chair: I did not criticize any minister; I simply stated what the minister stated.

Hon Ms Ziemba: In a newspaper report and that has not always—

Mr Mahoney: Must be true.

Hon Ms Ziemba: I am not too sure. I guess it would depend on the newspaper.

Mr Mahoney: I will come back to-

Hon Ms Ziemba: Can I just finish my answer, please—

Mr Mahoney: Sure.

Hon Ms Ziemba: —and without being interrupted? So I will be advocating, I have been advocating and I will continue to advocate. We have already started to address the coroner's recommendations. We did that within 24 hours. There are 85 recommendations. We have started to address on many fronts—the other recommendation that we have already started to work on is the advocacy commission. We made the ministerial statement in the House in December and that was a recommendation, although we would have done that whether the coroner's request had come out to do that or not.

That was something I felt very strongly about and had been fighting on the other side before being elected, to make sure that we did have an advocacy commission and I felt it very important, so I will continue to do that. We have, as I have said, not addressed all 85 recommendations, but we have certainly started to address the recommendations. We did that within the first 24 hours, we will continue to do so, and the advocacy commission was in the works. We did start to address that immediately, although we did not make the statement just because of the coroner. We did not know when the coroner's recommendations would come out or what would be in those recommendations, but we did feel it was strong. I am very pleased that the coroner's recommendations did state those facts and that we had already started to address them.

You are right that the coroner's recommendations are a very strong document and I am very pleased that they have worked so hard. You probably know that they spent 65 days, so it was a very intensive look into all of the facilities. It is the longest commission that ever was held in Canadian history. Again, another focal point to look at is that they spent their time and the recommendations should be listened to. We certainly will continue to look at them.

Mr Mahoney: Just on the point of order, Madam Chair: My question was very specific and I eliminated my preamble. With respect, we are looking for answers, not political speeches. I think the minister has usurped a substantial amount of the time that was remaining for Mrs McLeod and I would ask that you add 5 minutes at this time.

The Vice-Chair: Mr Mahoney, that is not a point of order. It is an opinion and we are not in a position to add time. Perhaps the minister will heed the request for shorter answers if possible.

Mrs McLeod: I will try to ask the shorter question. To change the focus for a minute, I have done a line-by-line analysis of your estimates book, and as a result of that line-by-line analysis I have to tell you there were only two

questions on which I required further information. One is the question Ms Haslam has already asked and the other is a question relating to access funds, which I may come back to it at a future point. It is not going to the substance of my question at this point in time.

I think you realize that the reason there is not more information and therefore more questions that result from your estimates book is because you are an advocacy ministry and not a line ministry. In order to be an effective advocacy minister, it is absolutely essential that you be very much aware of the programs for seniors delivered by other line ministries and what those plans are for future programming and what the expenditures are in those areas.

This is why it is more than legitimate that we continue to ask questions that are not directly reflected in your own estimates books, because we are really dealing with the focus of your role as an advocacy minister. So we will continue to ask those questions because of our belief that we need you, in the interest of seniors, to be an informed and effective advocate with other ministries.

My question is going to be on the integrated homemakers program. I wonder if you could comment on the number of integrated homemakers programs across the province, on the need for expansion and on the cost of expansion.

Hon Ms Ziemba: I think I am going to refer that to my deputy minister or to Mr Adams. I would like to make a comment, though, if that is possible because we are leafing through things anyway. I want to clarify something. Having picked up something that I do not think I ever intended to pick up, I welcome all questions regarding seniors, but I think when they ask why we are laughing, it is just that one question that came out of estimates finally came, and that was the only reason that I responded to that. It was in a form of jest, as everybody else was jesting, but not in a form to be critical. I appreciate questions. Because they are still leafing, I will continue.

Mrs McLeod: Actually, while they are leafing, I am ready to use my time to ask a follow-up question which is a question only for you. I will appreciate the tabling of information by your staff at a future point. In terms of the policy direction, my supplementary question to the questions on integrated homemakers programs—I can tell you that they are limited in number, that they do need to expand. The reason they have not been expanded is because of the sheer cost escalation of those programs. It is such a good program that the demand for it has increased tremendously.

The Vice-Chair: Excuse me, Minister, we are out of the Liberal allotment of time, but we will be coming back to you. Do we now understand that the information Mrs McLeod has requested will be tabled for all the committee members?

Mrs McLeod: I will leave the question with you and you can come back in a response, because in our next time I will turn to some other areas which will be your position on co-payments.

Hon Ms Ziemba: Certainly.

The Vice-Chair: The Minister will note that question and answer it in the next time slot.

Mr Jackson: Minister, in your role as an advocate for the elderly, can you share with us your understanding of the recommendations as they relate to the elderly in the Lowy report, and who do you discuss those with?

Hon Ms Ziemba: The Lowy report was a very interesting report and I have discussed it with many people. Sometimes it is hard for me to remember who I have discussed it with because I did discuss it prior to my election as well. We are still looking at the Lowy report, as you probably know, and I think it is a very crucial aspect to seniors' care. In fact, we discussed it just very recently and it is part of an overall look at how we work out things in the seniors' office.

1050

Mr Jackson: Are there any of the nine recommendations which you are interested in or you can talk to specifically? What was the nature of your discussion in detail about the Lowy report?

Hon Ms Ziemba: I cannot give you the detailed discussion. Since we are still in the process of working out how we are going to approach that, I do not think that would be—

Mr Jackson: Do you know what is in the Lowy report?

Hon Ms Ziemba: Yes, I do. Mr Jackson: What is it about?

Hon Ms Ziemba: It is about prescriptions and drugs for seniors and the cost and how they are used and the whole system. I have to tell you that the Minister of Health and I have been discussing, but on a very broader issue of the whole cost of prescriptions and how prescriptions are used and how we can update our process of looking at the prescription use for all people, but seniors in particular. I am waiting to hear her final report and I would welcome it. I am sure they will be making announcements regarding that in the near future.

Mr Jackson: You would be aware that the number one reason for admission to hospital for elderly people in this province is for inappropriate pharmacological applications, for inappropriate drug use and abuse, and I just simply would ask you to make it a priority. I know it has been for the Conservative caucus. We identified it in a proactive way years ahead of the Lowy commission. We have produced our own brochures in this area and I would like to give you one of them in the hope that you might consider encouraging the ministry to produce similar material for you to assist.

I know in my regular annual seniors' seminars we repeat this part of the program every year, because we wish to reduce the dependency of seniors on drugs. We wish to stabilize more and more of their situations, and as you know, the way the Ontario drug benefit plan is structured in this province, it is actually a greater cost because we allow three- and four-month prescriptions, and then after three days of use all of those pills have to be thrown in the garbage, against my strong protestations for structuring it that way in 1985. I was supported by one of your colleagues then, from Welland, who distinguished himself as

a consumers' advocate, but as soon as he realized that the structure was wrong he was pulled from the committee because of his strong views that did not agree with the government and—

Ms Haslam: Is that your opinion?

Mr Jackson: No. He openly admitted it. As soon as he changed in committee, Mel Swart was pulled from the committee within 20 minutes of his admitting that this was bad for seniors and not good for consumers. But that was minority government and the Liberals could not do a thing without the support of the NDP, so poor Mel was expendable. However, his points are still valid and the concerns are now surfacing in the Lowy report. If I may, Minister, I will give you a copy of our brochure, checking the mix which we produced for seniors in this province, and it is given in the hope that you will consider enhancing and developing that in a program fashion.

Hon Ms Ziemba: I thank you and I appreciate not only this information but your concern. In my previous work, one of the things that our older adult centre used to do is it had what was called a "brown bag day" and that brown bag day meant that seniors brought in all of their prescriptions. We had pharmacists and doctors and nurses available to look at those prescriptions to see if they were outdated, and to see if at any one time a senior was taking things that would not properly mix with each other.

The unfortunate thing that has happened in our society is the overuse of drugs, I think, whether it is with seniors or with anybody else, but we all rely too much on—you have a headache and you quickly run out and take an aspirin rather than—

Mr Jackson: I am sorry to interrupt. I appreciate your reminiscence. You have indicated that you are looking into the recommendations of the Lowy report—

Hon Ms Ziemba: Can I just interrupt for a minute? I do want to answer something else and I wanted to say something that led into that. I have been listening to people's reminiscences and also to their recommendations. I heard about what happened in 1985. Although it was probably very interesting, I did not think it was that relevant although I am interested in hearing what happened.

Mr Jackson: It was relevant because your party does not have a policy with respect to the ODB at the moment.

Hon Ms Ziemba: You do not know if they do and I think it is very inappropriate to say that. I am in the middle of an explanation and I would like to finish it. I just feel that was totally rude, Mr Jackson. It is not like you.

Mr Jackson: Well, it is like me, Minister-

Hon Ms Ziemba: No, not in the middle of-

**Mr Jackson:** —to suggest to you that part of the process in estimates is to render the minister—

Hon Ms Ziemba: Can I tell you what I am doing with the Ministry of Health?

The Vice-Chair: Excuse me.

**Hon Ms Ziemba:** I just find that less relevant.

Mr Jackson: I was asked a question-

The Vice-Chair: Let's have one person speak at a time.

Mr Jackson: On a point of order-

The Vice-Chair: All right. If you are going to raise a point of order, Mr Jackson.

Mr Jackson: Madam Chair, it is simply to do with this notion of time allocation and its relationship to how the minister uses the time and how we use the time. My understanding of the essence of estimates is that it is a question and answer process. We tend to try and make it a productive process by limiting our questions and limiting our responses. It has been identified by at least one other member of the committee that the minister has engaged in long answers. We have made it abundantly clear—now we are in our fourth round of estimates—that we would like to ask crisp, short questions and receive reasonable responses. That is a point of order that I would like to leave on the record and hope that the minister would respect that.

Hon Ms Ziemba: I will pass my answer.

The Vice-Chair: I think the difficulty here is that you are here at the invitation of the committee.

Hon Ms Ziemba: I realize that.

The Vice-Chair: We are sympathetic to the fact that you may have a lot that you wish to express. I think in fairness to the committee members who are very short of time to ask the number of questions they have expressing their concerns, perhaps if your answers are going to be lengthy and you want to add to them you might want to do that at a later point in a written form.

The other thing that is rather ironic is that sometimes members of the committee will give a very long preamble, which is their choice. They do not even have to ask any questions—

Mr Mahoney: Like the Chair.

The Vice-Chair: —as the rules of procedure are for these committee hearings. So there is a little imbalance between the ministry and the minister, as guests at the invitation of the committee, and how the committee members may use their time. I would appreciate it if the minister could make her answers a little shorter, but I also would appreciate it if the committee members would not interrupt the minister.

Mr Jackson: If I may just ask a question about the access fund. During my preamble statement yesterday I expressed concern about the rigid nature of the access fund. I wrote to the minister on 4 January with a specific case of an application from Burlington Alliance Church. The file number I can give to the assistant deputy minister.

The situation here is that it appears that on this application and perhaps others—Mrs Marland has indicated she has one also—with the change in government, the bureaucracy was unable to respond to the application. As I indicated yesterday, that was not the fault of the new government. There was time for adjustment required. However, there are groups that have been caught in this adjustment period. Their application was denied because they had to proceed with construction.

My question to the minister is, first of all, did you receive my 4 January letter, because I have not received a response, and can we talk about whether or not you will look at those groups that fall within that narrow adjustment period and review their applications? That was the nature of my request to you in writing.

Hon Ms Ziemba: I will answer the second question first. The second question is whether I would review and look at those people who fell between the cracks and the answer is yes. I would defer the first question to Doug Mayer from my ministry.

The Vice-Chair: Mr Mayer, perhaps you would introduce yourself for the purposes of Hansard, please.

1100

Mr Mayer: I am Douglas Mayer and I co-ordinate the access fund. Mr Jackson, in response to your concern about the delay in processing of the application, perhaps I may go through with you briefly the chronology of events as it relates to the application from Burlington Alliance.

Mr Jackson: I am sorry to interrupt, but it would be inappropriate that your non-response to my letter would necessitate taking up 5 or 10 minutes of estimates time. That is not fair to the rest of the committee. As well, there are several other members who are caught in a similar situation. As much as I am flattered at your interest, I wrote a letter for the specific reason for you to set that out for me. I wish to determine, more generally, how many applications were rejected because they disqualified themselves because they had to proceed with construction, because other members may have those cases in there. That would be a more productive exchange of our time at this point. You and I can talk privately.

My first question then would be, which ministry are you attached to?

**Mr Mayer:** I am with the Ministry of Citizenship and the program is co-funded through the Office for Senior Citizens' Affairs and the Office for Disabled Persons.

Mr Jackson: Thank you. That is what I thought. Could we talk about the number of applications that have been rejected that may have occurred in this period of adjustment between ministries? I realize that there are criteria for rejection and one is that you cannot start construction.

Mr Mayer: Correct. There were no applications that were rejected due to the changeover in government and the perceived time loss in that.

Mr Jackson: Perceived time loss. That is an interesting statement. My understanding is that some people have had quick turnaround responses from the previous government and that the application in question was filled in sufficient time but it could not be done under the 90 days and therefore they started construction. They shared that with you, and the rejection notice was on the basis that construction had begun. Period, end of sentence.

I am trying to differentiate between your right to say, "You started construction, you are ineligible," versus, "We did process in a timely fashion, and had you processed it in a timely fashion you might have rejected us but you would not have rejected us because we had not started construction."

Mr Mayer: Your application was processed in a timely fashion and the criteria of the program were applied, but in this application, as with all previous applications which were filed in similar conditions and circumstances, the applicant was notified as per procedure and as per practice. They were notified immediately upon recognition that in fact they were not eligible. There was not a delay.

**Mr Jackson:** Then the minister is agreeing to re-examine a file but the position of the bureaucracy is that there was no reason for it because it was handled properly.

Mr Mayer: In response to your question about this application, it was handled properly. Yes, sir.

**Mr Jackson:** This is an odd box that Burlington Alliance finds itself in. Minister, based on that information, are you prepared to re-examine these cases? And if so, for what reason?

Hon Ms Ziemba: Mr Jackson, I will review it because you have asked me to and I would like to do that on a point of goodwill. If anyone else has a particular interest in one too, I would like to do that just to see why they were turned down, and what the criteria were for turning down the proposal. I think that in good faith I would like to respond to you in that fashion.

**Ms Haslam:** I just wanted to know, since we are asking you specific questions, where you feel the best place is for seniors to live when they cannot look after themselves.

Hon Ms Ziemba: I still believe that the best place for seniors to live is in their own home with community support. If we can provide the support for seniors and if we can have the supports all in place so that people could have Meals on Wheels, home help, friendly visiting, shopping services and transportation, living in their own community is still the best place to live.

Ms Haslam: Could you share with us some of your plans for promoting those goals?

Hon Ms Ziemba: We hope to expand the home support services that are in all communities to enhance and improve, and if there are non-existing programs, I will be advocating to make sure—I am phrasing that very carefully—that there are programs in place, that we have an equitable system across Ontario because, unfortunately, there has not been an equitable system across Ontario. It has been fragmented, it has been left open to commercialization and it has been left open to people living off of other people's ills and woes.

Ms Haslam: I am interested in the home care and I would like to mention two things to you. One was mentioned just recently by one of my honourable colleagues, and that was regarding the VON and the home care program that you said you were going to look into. It came up in another committee when they came to ask about that particular program, and I feel very strongly that that is a very good program. That is the first comment. The second comment is that somebody came to me with a new program called Wheels to Meals. Have you ever heard of that program?

Hon Ms Ziemba: Yes. Many non-profit agencies use Wheels to Meals and it is different. Meals on Wheels is actually the meal delivered to the home—and we have this in our agency as well, only we called it a diners' club. But the program that you are referring to is that the seniors are picked up in their home, taken to a central location, whether it is the church or what not, and then are able to share meals with other people and have a dining experience out, rather than being at home alone.

Ms Haslam: Now, contrary to my opponent, I am not aware of this and I would not mind your telling me a little bit about it because it certainly is something that was just brought to my attention by somebody in the last day or so. I have a couple of questions about it. When you look at the clientele for Meals on Wheels, is it the same clientele or is it a different clientele that makes use of Wheels to Meals?

Hon Ms Ziemba: It would probably be the same clientele, though there are obviously some people who would not want to participate, as perhaps any other age group would not want to participate in a social event. It breaks down the barriers of isolation that seniors face when they are living in their own home. Meals on Wheels is a wonderful program, but you have to understand that when the meals are delivered, there is a short conversation, but the visit is over on a very quick basis. Meals on Wheels—

Ms Haslam: I am thinking about disabled people, whether your Wheels to Meals can accommodate some of those that Meals on Wheels does, or whether there are some who would be better off on the Meals on Wheels program.

Hon Ms Ziemba: The Wheels to Meals is meant as an enhancement, not as a substitute. It is an enhancement to make sure that seniors do have an opportunity to sit down with other people and have a visit and have a day out, rather than being home alone. Again, it is a process to break down those barriers of isolation. Most agencies were accommodating very, very frail people, people that were well over the 90s, and volunteers would pick them up, usually two volunteers, so that the assistance would be there and provided. The one thing that we have always noticed, though, is that—

Ms Haslam: Madam Chair, I am having difficulty hearing again. I understand that this gentleman can be brought up as a witness. If there are questions for him, perhaps that is the place he should be utilized. Thank you.

Hon Ms Ziemba: In the Wheels to Meals program, the other consideration is always taken into place, that for seniors and for anybody with a hearing disability or hearing impairment, it is very difficult to have great groups of people, so it is always attempted that it is a smaller number of people that are brought together, rather than a large group. Then it is not confusing, it is not threatening and it is more of a nice social event rather than a huge threatening situation or environment.

Ms Haslam: I have a couple more questions. How much time is left, Madam Chair?

The Vice-Chair: Ten minutes, and you have two other members.

Ms Haslam: Who is next?

The Vice-Chair: Mr Ward and Mr Wilson.

Ms Haslam: Mr Ward has mentioned that he does not mind me taking time for another question, so—

The Vice-Chair: It is entirely up to your caucus.

Ms Haslam: I know, but there have been times when I have been cut off because the comment was made, "There are other people in your caucus who wish to ask questions." I was just checking with you. I like you. You are a better Chair. Now I have some—

The Vice-Chair: I am certainly glad I have not cut you off, Ms Haslam.

Ms Haslam: That is right. I have some other questions about advisory committees. I am sure some of the officials in the bureaucracy here will wince when I ask this. This is the Office for Senior Citizens' Affairs under "Corporate Services," and it says: "Advisory committees represent various professions that deal with seniors. Materials directly target specific segments of the professional community, motivating and assisting them to respond to the needs of seniors." I wondered what some of those materials were, and if one of those programs was the Good Neighbours program.

1110

Hon Ms Ziemba: I will let Mr Adams respond to that.

Mr Adams: I can answer that question, if I could just pull out my file. This refers to our education resources unit, which is a small unit in terms of people on our staff, but they have established six different committees that draw together people from professions and so on. The six committees are a multifaith committee, a professional care givers committee, a marketing and media and merchandisers committee, an intergenerational committee and a volunteer committee. I mentioned health care professionals, I think, and there is a general committee whose name eludes me.

The modus operandi is that—these are all volunteers, by the way; they do not get paid. These people are professionals, people who work with seniors, and they meet and address what the needs are relative to those particular areas that they cover off. They have a budget which allows them to develop resources, and many of those resources you see over on the table over here.

Ms Haslam: Then that is not what I was looking for. I was looking for in particular the Good Neighbours. That is something different. I made a note that 20 communities take advantage of the Good Neighbours. I would like a list of the communities that have that program. I also want a breakdown of the amounts that were put into each of those programs and those communities, if there were any.

Mr Adams: Very good.

Hon Ms Ziemba: Maybe, Mr Adams, you would like to furnish that at another time and for the benefit of all the committee members. I am sure they would all like to know that. Mr Adams: I would be glad to distribute that after lunch.

Ms Haslam: And I believe I will have time again, will I not?

The Vice-Chair: This afternoon? Yes. Mr Ward.

Mr Ward: Before I focus in on my question, Minister, I would like to state that you can freely answer as long as you want. I do not think we should be cutting you off and explaining your opinions or the ministry's policies when it comes to seniors. I think that we should allow you to be full and frank with us as an estimates committee.

I would like to focus in on your statement that you made yesterday to this committee, the aspect of the central information and referral service that your ministry I believe has just expanded, as far as that aspect is concerned in our province. Part of the problem that I have experienced as an MPP when it comes to dealing with seniors' issues has been the fact that when seniors contact my constituency office, it is for information on a number of key issues, which I will not go into today because I could use up the whole morning.

The Vice-Chair: The five minutes you have.

Mr Ward: Yes. But I believe that by expanding our information service to the seniors we can overcome some of the problems that the seniors apparently have in our communities. They are not sure what programs are available to them, what services are provided as far our government is concerned. I was just wondering if you could elaborate a bit on this expansion that has occurred, and if you feel that it is adequate in the sense of ensuring that if seniors require information, they are aware of this information gathering service. Perhaps you could just, to the best of your ability as minister, in the brief time that you have been serving in your capacity as minister, talk a bit about this information service that our province has and the expansion that has occurred since our government took over on September 6.

Hon Ms Ziemba: The service has been expanded to a toll-free number which is very beneficial to seniors. It was very difficult when it was under a collect number, although that assists because the cost is defrayed. People do feel very uncomfortable using a collect number rather than a toll-free number.

The services are expanded to be able to assist seniors with information, and you are very correct in that across the province, services are delivered in many different ways. They are fragmented services. It is very difficult for a senior, it is very difficult for anybody to figure out where the services are that seniors require because of the fragmentation that has developed over the years.

Some services are provided by non-profit organizations, other services are provided by commercial, and then of course there are some places where there are no services provided at all. The type of questions that are most frequently asked at the toll-free number are questions regarding people's pensions and what is available to them in that respect.

But I know that having worked in an agency, the type of questions that were most really frequently asked by family members and seniors themselves were what type of assistance people could have to be able to live in their own homes independently and with dignity and still be able to maintain a life and not feel that there are prohibitive powers to them.

We hope that this toll-free number will expand the services available, but I must say as well that by reforming the process which is out there and which has to be reformed, we hope that will also cut down on the confusion. Perhaps in each area there would be one number that people could call rather than various places that they have to go to. But it is a very confusing system in place right now.

Mr B. Ward: Just a comment, Madam Chair: You look a little bit flushed there.

The Vice-Chair: I look a little bit flushed?

Mr B. Ward: You are getting that flu that is so rampant.

Mr Mahoney: I think she looks wonderful.

The Vice-Chair: Mr Mahoney thinks I look wonderful. I do have a very severe cold, Mr Ward, thank you. We have two minutes left, Mr Wilson. Is that long enough for you to get started?

Mr G. Wilson: Not really, no. I had a couple of questions to ask and both will require a bit more time.

The Vice-Chair: Go ahead.

Mr G. Wilson: I will start the questions and maybe we can return to it. This comes from a rally I participated in in my riding on the weekend. It was good to see but like a lot of rallies it addressed a very dismaying problem, which is the suicide rate among the native population in the Kingston penitentiary for women. In the last six months there have been six suicide attempts, five of them successful, the most recent a few weeks ago. The problem of course is that native people face a double whammy here, not only the very poor services to begin with, but even when they do end up in prison, the services there appear not to be adequate to deal with the problems that they face.

I was wondering if this carries over too into the aboriginal elderly. Is there a problem there and what is your ministry doing to address it?

Hon Ms Ziemba: It is a very serious problem with all native people. Part of the problem that addresses the native community is that the services are not available in their own community and unfortunately they are moved out of their community to receive the services in not only a different community but a different cultural experience, a different language and a totally different type of environment.

I think I mentioned yesterday that the seniors in the native community are at a lower percentage rate than the other population in our Canadian society. Mainly that is because of the suicide rate and the various poverty levels they have faced over the years. People in the native community just do not attain senior years. The highest proportion of deaths occur prior to people even attaining 65. There is a very high mortality rate for children, not just the birth rate but the children themselves. It is a very difficult thing we face in that they do not, unfortunately, get to the golden years we do, and we have to address that. Our government

is very committed to addressing the poverty issue with natives, towards self-government and towards making sure that our native community deserves a life filled with equality.

Mrs McLeod: I did leave a question directly for the minister. I would appreciate a direct answer to that question, because I do, on second thought, have a further question on the estimates book.

Hon Ms Ziemba: I am going to try to make the answer very short. People have been passing me notes, and I am not going to use them on purpose. The reason I am not going to is that I am going to be very honest with you.

Mr Mahoney: The notes are not honest?

Hon Ms Ziemba: No, they are not your notes, Mr Mahoney.

The Vice-Chair: Could you speak up a little?

Hon Ms Ziemba: Strategies for Change had a very definite portion to it on co-payment in long-term care. We are reviewing that and changing that policy but we have not finished doing that and we will not be able to tell you—probably in three weeks' time, but I would be very willing to share that with you as soon as my other two colleagues and myself come to a final decision.

Mrs McLeod: I appreciate that. I would have anticipated that that would be the answer. I would just urge you, please, as you have that deliberation about the change in direction, to ensure that it was related to income testing not to means testing, to ensure that it would only be those who could truly afford to pay some portion of a co-payment who would have to pay anything—the reason for introducing that was a very urgent sense of need to expand the programs of support at home. If there is to be a change in that, I hope it is in the context of a real ability to continue to expand that program.

Hon Ms Ziemba: I thank you for sharing that with me.

The Vice-Chair: And could we ensure that the answer, as the question was placed in committee, two or three weeks from now is with all members of the committee?

Hon Ms Ziemba: I think there will be a public announcement.

The Vice-Chair: I am just confirming that.

**Hon Ms Ziemba:** I will certainly share that with everybody.

Mrs McLeod: I was not anticipating selective information, but if there is to be selective information I would certainly appreciate that as well.

The second area of questioning I would like to raise is on the main office activity of the Office for Senior Citizens' Affairs, recognizing that there is an increase in the main office budget in the salary and wage line of \$55,500. There is an increase over last year's estimates. I would like to ask you whether there has been any change in the staffing levels of the office of senior citizens' since these estimates were originally prepared.

Mr Adams: There is no significant workplace change in our staff. There are fluctuations from people coming and going, as you can appreciate. Mrs McLeod: Just raw numbers. I am wondering if there has been a significant change. I am not even looking for detailed numbers. For instance, do you still have a correspondence unit?

Mr Adams: Of course, yes.

Mrs McLeod: You do have a correspondence unit. May I ask the minister, then, because I do not need numbers, that if there are changes, I would appreciate having those tabled for the committee's information.

Mr Adams: We happen to have—Mr Jackson asked a question yesterday, which I think might satisfy—could we have the clerk distribute this?

Mrs McLeod: That would be excellent. Thank you very much.

Hon Ms Ziemba: There are also some other answers and questions that have to be distributed. I do not know when is the appropriate time to do it, so I will leave it with the Chair.

Mrs McLeod: I would reiterate what the Chairman indicated in our last session. One of the reasons for our impatience is that we are limited by a 15-minute time segment, so we are anxious to get the questions at least tabled for a response.

The reason I have asked again Mr Jackson's question yesterday about staffing levels in the office for seniors' affairs and specifically asked whether there was a correspondence unit is a reflection of my surprise in two respects now: One is that the deputy for Citizenship appears to be responding to seniors' issues; the other is that this morning we have had someone who indicates that he is working for the Ministry of Citizenship who appears to be dealing with correspondence on seniors. I would like to ask the reasons for that, minister.

Mr Norberg: If I may, Douglas Mayer, who appeared before the committee a few moments ago, is in fact employed with the office for disability issues. It is a historical fact that under the previous government the access program operated on behalf of the two offices.

Mrs McLeod: Could I just clarify that? I will apologize if I heard incorrectly. I thought he had identified himself as working with the Ministry of Citizenship.

Mr Norberg: I am sorry. You are right, and he did.

Mrs McLeod: I do know the other program is a jointly administered program and would not have been surprised if he had been from the Office for Disabled Persons.

Mr Norberg: It is a jointly administered program. I apologize for that. Douglas works on behalf of two offices.

Mrs McLeod: The question stands, then?

**Mr Norberg:** Douglas does work on behalf of the two offices in delivering that program.

**Mrs McLeod:** As a member of the staff of the Ministry of Citizenship?

Mr Norberg: No, as a member of the staff for the Office for Senior Citizens' Affairs.

The Vice-Chair: I wonder if he knows where he is going in the morning. It would be pretty tough.

Mrs McLeod: I confess to some confusion, and again I would pose the question. There seems to be representation on the Seniors' estimates from the Ministry of Citizenship. Is that correct or not correct?

Mr Norberg: My response to that is that there is one deputy minister working with the Minister of Citizenship who has responsibility for seniors, for disability issues, for human rights, race relations and other functions attached to the Ministry of Citizenship, and I do support the minister in that broader context. At the same time, the Office for Senior Citizens' Affairs, which is attached to the minister and the ministry, has as its most senior official Philip Adams, who was, previous to the new government, senior adviser for that office and is still working in that capacity as senior adviser. So we are both here in our support roles to the minister.

Mrs McLeod: So your role as deputy now overlaps all of the areas of advocacy which the minister has been assigned?

Mr Norberg: I do support her with respect to all of her responsibilities.

Mrs McLeod: Again, I would ask for some clarification of the staff line under which the government just made a presentation in response to Mr Jackson's question on correspondence. Is he under staff of the Ministry of Citizenship, or which staff would he actually be employed by?

Mr Norberg: In the broadest context he is a staff member of the Ministry of Citizenship, but in fact he is on staff of the Office for Senior Citizens' Affairs and there has been no change in his status in that respect.

Mrs McLeod: I suspect I may be asking an impossible question. Is it at all possible that we would be able to get any sense of the number of areas of overlapping staff and how those staff budgets are being assigned? I know we are only in Seniors' estimates, minister, so it is very difficult for me to find a way of phrasing the question and have it related solely to Seniors, but I am interested in the issue of staff change, the effect it has on the estimates for Seniors. whether all of the Seniors' staff are continuing to do the work which was intended they do when these estimates were prepared. If that is the case, there must be considerably more work being done in the advocacy of Seniors if members of other staff are being drawn into the Seniors' work. Obviously, if we were doing Citizenship estimates or Disabled estimates, that could be some cause for concern in those areas. If there is any way of beginning to respond to that in a written format, I would appreciate it.

I must tell you that the issue gives me cause for concern, because, as these estimates were originally drawn up and presented and the budget provisions made to support the estimates, there was a very sound basis provided here for a strong advocacy role for the Office for Senior Citizens' Affairs. The confusion that is arising, if these were new estimates, would lead me to challenge the estimates themselves. I will yield the floor on that question.

The Vice-Chair: Minister, will you provide that information about in what areas of staffing there is an overlap and where the deployment of that staff is?

Mrs McLeod: And whether that has altered the role descriptions for the staff of the Office for Senior Citizens' Affairs?

Hon Ms Ziemba: We will table that.

Mr Daigeler: Going back to the Kendall case: Although it occurred in an unlicensed residential facility, it does raise the related general question of the role private nursing homes should play in this province. When the NDP was in opposition, I think it was highly critical of the private sector in that field. I am wondering what your view is now. Do you still maintain that position? If you are planning to reduce the influence of the private sector in caring for seniors, how are you planning to go about that? If not, if you think there is still a substantive role for private nursing homes, do you have any plans to fund them on a more equitable level together with the municipal homes for the aged and the charitable homes for the aged? I would like you to comment on that.

1130

Hon Ms Ziemba: I wish I could tell you the very short, precise answer, but again I am going to have to say we are reviewing that under Strategies for Change that were coming in the long-term reform, and the Ministry of Health is also reviewing the aspect of nursing homes. I would like to answer that when we finish our review and when we finish our look at that. I also will ask the Ministry of Health to give you a further answer, if that—

Mr Daigeler: I did not ask for the view of the Ministry of Health. I asked for your view. It is amazing what an election does. The Premier, who had very firm opinions before the election, and his ministers as well, all of a sudden become very unclear on what their views are. I am asking what your views are with regard to the private sector in the nursing home field. That is a very straightforward question. It is a policy question. I think we are entitled to know that. What are your views on the role of the private sector in nursing care?

**Hon Ms Ziemba:** My views have not changed before or after the election. That is my personal view.

Mr Daigeler: And what is it?

Hon Ms Ziemba: I do not think I should be giving a personal view here. What I am telling you is that nursing homes do come under long-term care, and we are making a definite change in policy. I cannot tell you exactly what that is because, as you know, having been in government, we have to go through cabinet committee and we have to go through cabinet. When we finally get the approval from cabinet and from our colleagues, I will come back to you with what those policy changes are, if any.

Mr Daigeler: I find it very amazing that you are hesitant or that you decline to state your views—you are a minister of the crown now—on a very important sector of care in this province. I find this unbelievable. I am sure you stated that publicly during the election. Are you now hesitant to repeat that in public?

Hon Ms Ziemba: I am not hesitant, but, as you would share with me, when you are in government, you cannot make a commitment until all of the cabinet has approved that as well. It would be totally inappropriate for me to do that. What I can say to you is that we are working very quickly on that and we will be coming up with a very definite statement for you. I would be very pleased, in fact ecstatic, to tell you what that is.

Mr Daigeler: I am not asking for a commitment on behalf of the government. You obviously cannot give that. I am asking what your views are as the minister responsible for senior citizens' affairs and in your role as an advocate for that group of people. Obviously, you are not willing to do that and I will pass my question on to Mr Mann.

Hon Ms Ziemba: As an advocate for seniors, I want to make sure—

Mr Mahoney: Mann? Who the hell is Mann?

**The Vice-Chair:** Excuse me, the minister is responding to the question.

**Hon Ms Ziemba:** Very shortly, as an advocate for seniors I want to make sure that seniors are provided with the best possible care in all levels.

The Vice-Chair: Thank you, minister. That completes that segment for the official opposition. Mr Mahoney, you will be first on the list next. The rotation should now be Mr Jackson for the Tory caucus, but there is a medical emergency in his constituency office so we will move to the government members and stack Mr Mahoney's time this afternoon. I have Mr Wilson and Ms Haslam.

Ms Haslam: Madam Chair, I do not understand. There is a gentleman in the caucus here for the third party who can ask questions in this allotted time.

The Vice-Chair: Excuse me, Ms Haslam. I am ruling, after a request from Mr Jackson, that he had to leave, that his time be deferred till later in the meeting. With respect, we have accommodated members, including your own. When your ministers were not able to be here, we did allow an exception in the rotation. We are simply making an exception in the rotation and I am asking that Mr Jackson's time be applied later in the meeting, and going now to the government members for their rotation.

Ms Haslam: I apologize. I thought I heard you say we were going to stack his time.

**The Vice-Chair:** Well, same words. He is not using his 15 minutes now. There is equal distribution of the time in these estimates hearings, so he will be entitled to use that 15 minutes later in the meeting.

Ms Haslam: That 15 minutes.

Mr Mahoney: Madam Chair, scheduling problems arise all the time and now what is going to happen is that the government will go for 15 minutes—

Mr Perruzza: On a point of order, Madam Chair.

Mr Mahoney: Excuse me. I am making a point, sir.

Mr Perruzza: Madam Chair, you just gave Mr Mahoney the floor. He did not rise on any point. You gave them their time, you told them he was going to have the floor—

The Vice-Chair: Excuse me, Mr Perruzza, you are not on a point of order either. I think we will just proceed.

Mr Mahoney was trying to make a comment, I think, in support of the ruling of the Chair.

Mr Mahoney: No. Madam Chair, you have created a problem with your ruling, and I would like an opportunity to point it out to you.

The Vice-Chair: If you are raising a point of order—Mr Perruzza: Then he should do that.

The Vice-Chair: —then raise a point of order, Mr Mahonev.

Mr Mahoney: It is not a point of order, it is a point of information or a question.

The Vice-Chair: Then I am not recognizing you. If you want to make a point of order I have to—

**Mr Mahoney:** Why do you not just run it in whatever way you see fit?

Mr Daigeler: On a point of order, Madam Chair: I think we have been very—

Mr Mahoney: A real democratic system.

Mr Daigeler: I think you are changing the procedure and I think people should have an opportunity to briefly comment on that procedure.

The Vice-Chair: Go ahead.

Mr Daigeler: Well, Mr Mahoney wanted to comment on that.

Mr Mahoney: My concern, Madam Chair, is that—Interjection.

The Vice-Chair: Mr Perruzza, let's not complicate—Mr Mahoney: What is the matter with you?

Mr Perruzza: If he has a point of order, let him rise on the point of order—

Mr Mahoney: If it makes him happy, I will call it a point of order and you can then make the decision.

The Vice-Chair: Please do that.

Mr Mahoney: I am glad we have someone who understands Roberts rules on the government side. Maybe he should try to understand a little courtesy.

The Vice-Chair: Mr Mahoney, you have the floor.

Mr Mahoney: The concern I have, Madam Chair, and my point of order, is that the normal rotation now requires, if I am first on the list, that the government will go until approximately 11:50, and then I will be required to finish off till noon. I have another commitment which I have made this morning based on the rotation and I am not able to be here between 11:45 and 12 o'clock. What Mr Jackson has done—my colleagues can fill in, but I wish to get the point on. I wonder if you would consider having us continue and then finish off with 15 minutes of the government members.

Mr Perruzza: Madam Chair, what is the point?

The Vice-Chair: Excuse me, I am going to respond to Mr Mahoney first. The Chair is at the wish of the committee. If the committee would like to rotate now to the government members and start earlier this afternoon to allow for the completion of the full time, that is an option, to come back at quarter to 2.

Ms Haslam: On a point of information, Madam Chair: You are talking about the changes that were made. With all due respect, we ate some of the time because it was pointed out to me that our minister was late, and I ate that time. So I do not feel that this ruling affects that particular situation. There is a member from the caucus here to ask questions. To pass over because he does not want to ask questions is not right.

Mr McLean: On a point of order, Madam Chair: I am the quiet fellow around here who never says much, and when I say something I think it should be listened to. The fact is that Mr Jackson is the critic for that ministry, not I. I am here today as a committee member only. It is up to our critic to ask questions, not because somebody else is sitting in the caucus.

Ms Haslam: Then that means the three Liberals are all critics, because they have all asked questions.

Mr McLean: That is their desire.

The Vice-Chair: Excuse me. This is getting entirely out of hand.

Mr Daigeler: Would it be possible to simply give the rest of the time to the government caucus, as we have done before, and then go to half an hour for the two other caucuses this afternoon?

The Vice-Chair: We are doing a very good job of using up the time as we are discussing it. Unless there is a problem, we will now proceed with the government members. If, at the end of that time, the critic for the official opposition is not here, then his time, too, will be available this afternoon, and we will simply adjourn at that time.

1140

Ms Haslam: Give him this 15 minutes, we will take the next 15 minutes and then Mr Jackson can come in for his 15 minutes.

The Vice-Chair: Thank you, Ms Haslam.

Ms Haslam: When he comes back-

Mr Perruzza: It would be worth noting that the government side of this committee is bending over backwards to accommodate the official opposition's schedule. Then the third party—

The Vice-Chair: Okay. Thank you, Mr Perruzza.

Mr Perruzza: I note it for the record.

The Vice-Chair: So it is now 11:40 and the official opposition has 15 minutes.

Mr Mahoney: Thank you, Ms Haslam, for that suggestion which I made earlier. It is nice to know that on some things we are on the same wavelength. If you could get control of some of your caucus members, I would be delighted.

Minister, it has been brought to my attention that there is some inconsistency of application of federal immigration laws and provincial housing laws. This is very disconcerting and I would like to know if you are aware of it. Apparently, the wealthy immigrants coming into this country may sponsor their parents to come by posting a bond worth \$20,000, and the parents then live off the interest. I do not know how anyone lives off \$2000 a year, plus or

minus, but they live off the interest. Because of the low level of income that this provides, these same parents find themselves in the deep core section for subsidized housing, or the highest need level for subsidized housing.

Conversely, someone who is unable to put up such a bond, the \$20,000, can bring his parents here by guaranteeing lodging and must show that he is able to pay \$800 a month—\$9600 a year—as support level for his parents who obviously become senior citizens for the most part within our community, and they are unlikely to be eligible for any form of subsidized housing.

My problem is that here we have wealthy immigrants, able to put up a \$20,000 bond, bringing their parents in and putting them on the highest level of social assistance. We have not so wealthy, or indeed perhaps not wealthy at all, immigrants coming in who are only allowed to bring their parents here if they are prepared to sponsor them for \$800 a month in housing costs.

An obvious inequity, I would say. I guess my question to you is, are you aware of this situation and do you understand it as I have outlined it?

Hon Ms Ziemba: There are a lot of problems with immigration as set out by the federal government. I think I have made several statements to the fact that I am meeting with my federal counterparts, as my staff have been doing, to see how we can work out an arrangement or an agreement with the federal government, because Ontario does not have one right now.

We will be addressing all of the issues pertaining to immigration, pertaining to seniors, and there are many concerns. I think I mentioned earlier too that not only are seniors brought over in a situation where you say that families agree to then give adequate shelter and housing—that does not always happen and people are then forced into a situation where they are either abused or not being looked after by their families, and have to then go to the welfare system.

We have a lot of concerns about immigration with seniors and reunification with families pertaining to different levels. I will look into that particular scenario you have just given me, and when I do start our talks with the federal government, we will take that into consideration. I thank you very much for bringing that to my attention.

Mr Mahoney: Do I understand your answer then that you personally—I do not mean this critically—are not aware of that? It has only been brought to my attention. I was not aware of it, but if you are not aware—I am just trying to get some confirmation and maybe your deputy could confirm that what I have laid out is essentially correct.

Mr Norberg: I would need to do some more checking myself to look into the specifics that you have outlined for us, Mr Mahoney. I am sure the minister will want me to do that as a result of your tabling that information. So I will be doing that and getting back to her on it.

Mr Mahoney: Further on the housing issue—I recognize the difficulty and I am not asking you to speak for the Minister of Housing, as you suggested I was earlier. I am not. I am asking you to speak on behalf of this ministry.

As you are probably aware, particularly from your involvement locally in the past, there are a number of very successful non-profit housing projects, corporations. Peel Non-Profit Housing Corp is one of the most successful and finest such corporations in the country, for that matter. I was not the youngest, like Mr Jackson, but I was a past president of that corporation in my earlier life.

One of the things that it is relatively easy to do is to develop a non-profit housing project in a community for senior citizens. It is not so easy to develop one for families, because of the fears—often unfounded, but still, perception is reality—of people in the community of creating difficulties and problems that they perceive that relate more to Ontario Housing projects perhaps than they do to non-profit housing. So it is difficult to do family. It is extremely difficult to do special needs. Whether it is former psychiatric patients or whatever, to do special needs non-profit projects is just an uphill battle all the way. Regardless of where you go, whether it is Mrs Marland's NIMBY syndrome—there, I give you credit for inventing that word.

The Vice-Chair: 1977.

Mr Mahoney: There you go. Or whether it is other fears in the community, it is a difficult situation.

Whether it is on a unilateral basis such as Homes Now was by our government—the first time any government provincially has gone unilaterally to the non-profit sector—have you given any thought to developing integrated non-profit, and perhaps pushing for it, for seniors? I realize I am going on a bit, but I think this is such an important issue, not only for the good of the community but for the good of the seniors—rather than isolating them in strictly seniors' complexes, to bring them together. I would cite the example that has been used in day care settings where senior citizens are involved and you create the grandmother/grandfather impact, which is to the benefit of the children as well as to the benefit of the seniors. Have you looked at some form of integrated housing that could involve seniors, families and special needs groups?

Hon Ms Ziemba: I am glad you asked that question. Thank you. In my former life I started a housing project that is carrying on and is actually getting funding. it will be an integrated housing system such as the Mennonite system that is at Bathurst and Lawrence, I believe. There is a wonderful project there where what you are citing is just that example. There are families. There are people with disabilities. There are seniors. They are all living in what we would like to think of as a community setting.

The project that I helped start is going to be built at St Clair and Bathurst, and it is an exciting project. There will be more projects coming along in that venue, I am sure, as people see that this does work and that it is an exciting way to house people, because quite frankly what you have suggested is a natural way to live. If people live in their own communities, they are living beside families and beside people with disabilities or they are living beside all sorts of types of people. We would want to encourage that. I think that is an exciting process and I thank you for asking me that. I think it is very good.

Mr Mahoney: I appreciate the community work that you did in starting something like that. I have been involved in similar types of projects. What I am really looking for, though, is some—

Hon Ms Ziemba: Yes.

Mr Mahoney: —proactive decisions or a proactive plan of action by your ministry. Recognizing you cannot speak for Mr Cooke and you cannot speak for Mrs Akande and you cannot speak for the Premier, I am asking Minister Ziemba to tell us that you are prepared to be proactive, and to promote this kind of thing within your ministry, and how you are going to do it?

Hon Ms Ziemba: Yes. That is short, right?

Mr Mahoney: Yes, but how? There were two questions there.

Hon Ms Ziemba: How? By advocating in my role as the minister responsible for senior citizens and by sitting on various committees, suggesting, showing the projects that exist, and there are many, and I know there are many more that are being started. There was quite a long list.

You were asking me a question earlier about home sharing. Was it you, Mr Mahoney? Were you asking that particular question, because I was going to respond to it if you did ask me that question previously.

1150

Mr Mahoney: About home sharing?

**Hon Ms Ziemba:** Yes, for Mr Cooke. Oh, I am sorry. It was at the other side. I am sorry for taking your time.

Mrs McLeod: Minister, will you be advocating increases in comfort allowances?

Hon Ms Ziemba: In comfort allowances?

Mrs McLeod: Yes.

Hon Ms Ziemba: I am reviewing that possibility but I cannot say yes or no at this time.

Mrs McLeod: You are aware of the concerns that are being expressed by residents' councils in homes for the aged in relationship to the level of the comfort allowance.

You mentioned Meals on Wheels yesterday and in your discussion you described some of the inconsistencies in the way in which the Meals on Wheels program is delivered. I have some concerns about the number of communities which do not have a Meals on Wheels program at all. I wonder if you have a sense of how many communities that would be true of. I would think it is primarily rural communities. Have you any plans to expand the Meals on Wheels program to rural communities or any communities which in fact do not have that program now?

Hon Ms Ziemba: It is a very good question. It is a very big concern of my ministry, myself and the Ministry of Community and Social Services, that what we have seen in place is a fragmentation of services. Not only are there communities that do not have any Meals on Wheels program, but there are communities that as well only perhaps deliver meals once a week, or three times a week, which is not adequate, obviously.

So yes, we are looking at expansion. That again is under long-term reform and Strategies for Change. When

we come out with our full package I will be able to explain that in more depth to you. But it is a necessity that I keep advocating, to make sure that every senior in this province—and not only seniors but the disabled community uses Meals On Wheels as well. people who might have an acute problem for a short length of time and who need the services for a short length of time, or people who have AIDS have often used the service as well. We must make sure that service is available to all members of our society, seven days a week across the province, everywhere.

Mrs McLeod: Another question I had in a similar vein is your comments on the extension of accessible taxi service.

Hon Ms Ziemba: Yes. That is also a big concern because as you know in some rural communities—you are probably more aware of this than myself, having come from a portion of a rural community—there are inadequate transportation services. We have to make sure that the people have the ability to move around. Again I have to congratulate Thunder Bay from whence you come because there is a wonderful program in place for the disabled community which has done wonderful work on being able to provide a good service in Thunder Bay for their community. We have to make sure that we look at services that are in place and learn from their experiences and expand them across the province. So congratulations to Thunder Bay.

Mrs McLeod: I appreciate that. We are not a rural community, however. Although we are a northern community, we are very much an urban community.

Hon Ms Ziemba: But you are closer to a rural community that has more problems than where I am from in west-end Toronto.

Mrs McLeod: We are out of time, Madam Chairman?

The Vice-Chair: Yes.

Mrs McLeod: I will just add then that if you were to look at the rural communities outside of the urban area of Thunder Bay, the problems of providing programs such as Meals on Wheels and accessible transportation are much more significant again and—

Hon Ms Ziemba: Oh, I realize that—

**Mrs McLeod:** —those are areas that have simply not been touched yet.

The Vice-Chair: Mr Wilson, you had a question to complete.

**Mr G. Wilson:** It was actually in follow-up to the response to the—mine might take a little longer. Do you have a short question to get in?

The Vice-Chair: Mr Wilson, you have the floor. I have Ms Haslam and Mr Ward.

Mr G. Wilson: It is, as I say, a follow-up. What struck me about the minister's response to the question of the needs of aboriginal seniors was the startling response that, proportionally, they are fewer because they do not make it to that age. That suggests a societal concern and I guess I would just like some elaboration on your perception of where the larger community sits on this question of seniors. After all, we are all going to become seniors, so do you find there is a lot of support for programs for seniors

among the less elderly sectors of the population? What are you doing to encourage the reception and to make sure that the support exists for these programs?

Hon Ms Ziemba: I think communities out there are very receptive to having services for seniors, because every-body either knows he is going to become a senior or else has a family member. There still is, unfortunately, a long way to go in explaining what the various needs are.

I talked to Ms McLeod a little bit with the last question about the problems with the rural community and an urban community. How we deliver services in a rural community is going to be totally different than the way we provide services in an urban community. That is just a given fact because of the distances. You will have a senior living way out somewhere, and it might take two hours to go to that one senior and there is not another senior for another two-hour drive.

We have to look at ways of dealing with these problems for seniors living in a rural community, especially when it comes to winter. In Canada the rural community is at another disadvantage because of the snow and the storms that we face. You cannot send a volunteer or a homemaker into a community in a storm. It just does not work. So we have to look at alternative ways of delivering services. What some communities do is bring seniors in from the rural community in the wintertime just for a short couple of months. They actually stay in a seniors' residence just for the winter months, until they can get back into their own home setting. Then the other services pick up and move on into place. This seems to work well for some seniors who still want to maintain a very independent lifestyle when the weather is a lot easier for people to move around.

The delivering of meals perhaps to an individual far out sometimes cannot be done. But what can be done is to provide frozen meals so that they can heat up the meals. That is done in some communities as well. Also homemakers are able to go in and cook the meals for them rather than the meals having to be delivered, because again, if it is one meal going into a very far outlying area, it is hard to get volunteers to drive for two hours to deliver it. But yes, there is still a lot of education to be done.

Mr G. Wilson: Could I just ask a brief follow-up to that about the Good Neighbours program and whether you have had much time for response to that yet to see whether it is actually working? The way you put in your report, it seems like a suggestion about the things that can be done by neighbours, shovelling of walks, and bank tellers taking a little extra time to explain, things like that. Are you getting any response to whether that is actually working?

Hon Ms Ziemba: Yes. It really does work well when people understand that somebody next door needs a little assistance or a senior perhaps cannot reach up high to get something off a shelf. Sometimes it is just a lack of understanding. The Good Neighbours program does go into that education field where it certainly expands people's understanding and knowledge of needs for seniors.

Ms Haslam: As a matter of fact, rural was what I was going to ask you about. I wanted to know what kind of

approaches we should be taking in this area and I appreciate all those answers, because most of us have a percentage of our ridings being rural. I would like to go on to another comment or question.

In your opening statement on page 7, number six was "sponsor research into matters affecting senior citizens." I was interested in research because I come from a library background, and I wanted to know how research could further your long-range goals for senior services. How do you use that research? If there is time, I have another question.

Hon Ms Ziemba: I am going to respond very quickly and then I am going to let either Mr Adams or the deputy respond. I see research as being needed right now. Mr Wilson is concerned about natives. We have to have a better understanding of how we can deliver culturally sensitive programs to our native community. I would also like to look at some research into the multicultural aspect of assisting in our office, going to our main line ministries, for instance, the ministries of Community and Social Services, Health and Housing, to have a better understanding of the cultural differences and needs of the various multicultural communities. Perhaps either Mr Adams or Mr Norberg would like to respond as well.

#### 1200

Mr Adams: We have a modest fund of several hundred thousand dollars that we notionally set aside at the beginning of a year. If appropriate opportunities come along that certainly are of the right priority, then we will give out money towards the research to be conducted. We have some under way right now. For instance, we have the development of an elder-abuse survey, which is being done for the Advocacy Centre for the Elderly. They are actually carrying on—

Ms Haslam: I just want to interrupt you. My next question—and this possibly is the answer to my question—was in the estimates book on page 9, where it says "sponsoring/promoting applied research on emerging trends and issues affecting seniors." Is that what you are listing with me right now?

Mr Norberg: Yes. We would be happy to table this list.

Ms Haslam: That would be fine if you would table that list. I would also like to look at the point above it where part of the corporate services was "identifying and monitoring emerging public issues of concern to seniors." I wondered what type of issues you were working on, and how that was handled? That is under corporate services, page 9 in your estimates book.

Mr Adams: I think that will be apparent when we give you the list.

Ms Haslam: Is that the same?

Mr Adams: No. Actually we do not undertake research in every emerging issue, but we monitor it as it is identified. I was speaking yesterday, for instance, about driver licensing. There is increasing sensitivity on the 80-year-olds, so we have become involved in that. We try to be responsive to what is of concern to seniors. First we monitor and then we get into it.

Ms Haslam: But it is not done as a project per se.

Mr Adams: To the policy people it is a project. We assign policy people to follow up on things, so there is an accountability for it. It is not a very ad hoc sort of a thing. We do identify things that are emerging. We do assign responsibility and then, when it seems appropriate, we try to move forward to something more specific than that.

Ms Haslam: I will save my other question for this afternoon.

Mr B. Ward: I would like to refocus on the volunteer component.

Ms Haslam: Oh, there goes my question.

Mr B. Ward: I am not sure what your question was.

Ms Haslam: No, go ahead.

**Mr B. Ward:** The volunteer component of seniors: My previous questioning centred around primarily getting young people involved as volunteers. I would like to focus on the senior component now of volunteers.

In my opinion, they are an untapped resource that this province could utilize to a greater degree. It is unfortunate, but some people feel that simply putting seniors in a home and closing the door and forgetting about them is the solution. I suggest that, with the wealth of experience seniors have, what they have experienced in their life, we should be utilizing the talents that they have to offer and ensuring that the opportunities are there for seniors to continue to contribute to the quality of life in our communities.

I was just wondering if you have any thoughts, as far as your ministry is concerned, on how we can better utilize seniors. If they are willing, as a large percentage are, they still want to contribute to the community, and we should be encouraging that aspect of volunteerism to continue and to be expanded in our community. In your capacity as minister, has your ministry any plans or any programs or any thoughts on how we can continue to encourage and tap in to this resource that at times appears to be neglected?

Hon Ms Ziemba: That is a very good point. Seniors are now being used in some day care centres and in schools and certainly in the school system to help in literacy programs, just listening to children read, and also in an historical way, to recount stories and to tell what their past experiences are. But seniors can also be used in a multitude of ways to help other seniors, and we found in our own agency that the people who came out and responded to our call for assistance in providing the volunteer services were people who were seniors.

In fact, not to stray too far away from the topic, we actually had seniors who were 89 and they have now reached 90, I am told by my former staff, who are still volunteering and who can probably still outrun some of the

younger folks that come in to help and assist. They deliver Meals on Wheels, so it is not like they just sit back and do passive roles. They are out there and playing a leadership role in the community.

As you mentioned, seniors have a wealth of information, talent and resource and should be used in that capacity. We use them in our own ministry on the advisory council. The Toronto Mayor's Committee on Aging has a number of seniors, and I think other forms of government have as well. I think we should look at that when we set out people who are on boards and commissions. They do have not only the time, but the past experience to bring to us help and assistance in the programs that we are trying to deliver and in assisting us to provide future programs. I thank you for that question because I think it does relate to how we should be looking at our society.

I think earlier yesterday somebody mentioned the cultural differences of North American society versus some of the European and Asian communities where people actually—and our own native community does this—look at the seniors as being the people to hand down the cultural traditions, to lend a listening ear and to actually be the wise ones in the community. People go to them for help and assistance in planning their future and the community's future. We should start to look more at that, not necessarily the senators, though.

The Vice-Chair: Two minutes left. The next person on the list is Mr Perruzza.

Mr Perruzza: I do have a question for the minister and I would like to get on the rotation later this afternoon. Maybe I can be first, because the question is going to be rather lengthy. I would like to take this opportunity to congratulate Madam Chair. We were faced with a procedural crisis and, once again, you comported yourself in an exemplary manner, and I think that that should be recognized and stated for the record.

The Vice-Chair: Thank you, Mr Perruzza, for your comments. We will be adjourning now, and when we come back at 2 o'clock, we will start with the PC in rotation, 15 minutes each. The clerk has done a very efficient job. You will find, if we rotate that last hour, 15 minutes each, each caucus will have had equal and fair time with their questions today. So we are going to start with Mr Jackson and rotate through and we will finish with him. He will have caught up and you will each have had one whole hour.

Mr B. Ward: Mr Jackson gets to wrap up?

The Vice-Chair: No, the minister may even get a couple of moments to wrap up at the end of the afternoon. Thank you. We will see you at two o'clock.

The committee recessed at 1209.

#### AFTERNOON SITTING

The committee resumed at 1405.

#### OFFICE FOR SENIOR CITIZENS' AFFAIRS

The Vice-Chair: Thank you very much for being prompt, ladies and gentlemen. The time is 2:05, and we have one hour left in the estimates of the minister responsible for senior citizens' affairs. Mr Jackson from the Conservative caucus has the first 15-minute segment.

Mr Jackson: Minister, earlier I indicated how pleased I was that you were able to come to this committee and articulate in specific numbers the amount of money Treasurer had allocated to you from the \$700-million anti-inflation, job stimulation package; we understand that is an envelope of funds that goes to the Ministry of Citizenship to be subdivided between the offices for disabled persons and seniors vis-à-vis their access fund. Have you been able to determine how much of the \$700 million will be devoted to the issues raised about the construction, retrofit, upgrade of existing or new retirement homes currently under the responsibility of the Ministry of Community and Social Services but for seniors? Have you been able to determine how much of those dollars are being committed in that area?

Hon Ms Ziemba: My understanding at the moment is that all the dollars have not been allocated. If you would like, I could find out if there is a definite figure to date. As future figures come in, we can certainly pass that on to your office. It is not a final—

Mr Jackson: I understand that. I had asked the Minister of Community and Social Services a similar question, and she said she was unaware of the total amount but there was some. I was hoping to get a refinement of how much was committed to the larger long-term care package and the capital works required to effect some growth and expansion. I shared with the minister at that time my concern that what few public utterances we have received in a long-term package—there was no debating that immediate expansion was not on the horizon. There are projects that were approved by the former government, and we are trying to determine if they are going to proceed or not. That is why I asked that question.

If I could move into the area of multiculturalism, as it is one of the many areas of interest and responsibility for your many ministries. I guess my first question should really be: Do you support a bill of rights for residents of homes for the aged in this province?

#### Hon Ms Ziemba: Yes.

Mr Jackson: At the time, when we were pursuing this for nursing homes, I had asked that the bill of rights be published in several languages, because I recognize, as I know the minister does, that at age 82 a person is not comfortable learning a second language or a third language even if that is the official language of the country he is currently in. Even though I had asked it as a recommendation, the government said it would take it under advisement. Are you aware if the bill of rights is being produced in various languages? Would it be your intention to do this

as well for homes for the aged with respect to any bill of rights that equally falls upon them?

Hon Ms Ziemba: In our ministry, whether it is Citizenship or the seniors' office, both areas, we do already translate various publications into many languages. I want to expand the group of languages we are using at present and also expand it to other areas, and help other ministries develop those translation services. If we can be of assistance to other ministries, we will certainly be advocating that.

**Mr Jackson:** Could you have your ministry or one of your ministries advise this committee if in fact the nursing home bill of rights is being produced in various languages for distribution? If it is not, you have already said you are undertaking to work towards that goal.

Hon Ms Ziemba: I have just asked my deputy minister. He said he will look into it, and we can come back to you with that answer. You have my assurance that if it is not being done at present, we will push to make sure it is being done.

Mr Jackson: Another multicultural issue, which is also a religious issue—the minister and I have had a conversation personally on this, on how the two sometimes are not separate in this province. Is the minister aware that capital funds allocated for homes for the aged under provincial government programs have a specific restrictive proviso which says if you have a faith community, which is also a multicultural community, wishing to build a facility for its elderly, that funding is not available for the construction of any multipurpose room that includes a chapel? I consider this a sensitive issue but I also consider it a rights issue, for the freedom of the elderly to express their faith, especially in their residence, because they are not portable.

#### 1410

Could you investigate this, and could you please give us a sense of your commitment to ensure that regulations which do exist now which work against that be stricken, and that we have a more open attitude to respect the faith commitments of our elderly population in this province?

Hon Ms Ziemba: Yes, as you alluded to in our previous conversation, we have to become more culturally sensitive not only to our seniors but to all people in our community, and we certainly will be investigating that. We do have on our advisory council an interfaith committee which will be asked to see how we can respond to other ministries along these particular cultural lines.

Mr Jackson: This is a very specific example, in that there are not many expansion dollars available for capital but this clearly is a prerequisite that I hope we would be able to strike fairly soon, because there are some projects, to my knowledge, in the approval stages now.

You have stated in clearer terms than your colleague the Minister of Community and Social Services about the potential for expansion of the integrated homemaker program as it relates to your election promise. I appreciate the added clarity you bring to that.

However, I wish to pursue a series of questions that deal with the planning associated with expanding that service. In particular, I am concerned about the incredible inequity that exists between—this is predominantly a job ghetto for women. It is consistently at or below minimum wage rates; high turnover—you are very familiar with the issue. Recently, in a social development committee report, we have come to refer to this as the "third tier," the lowest tier. It is not just government workers and non-government workers; we now have a third tier of worker in this province.

It is obvious that we have two challenges: to increase the pay rates for the thousands of women in this province who are currently providing homemaker services, but then we also have the challenge of expanding the total number of workers.

Your government announced recently \$100 million for pay equity enhancements, bump funding, plus \$30 million which went to half the day care workers in this province. Of the \$100 million, how much is going to be earmarked for the integrated homemaker program? Because they have been lined up asking very legitimate questions about pay equity support.

Hon Ms Ziemba: I could check into the actual dollars for you. I do not have that sitting here, but we can come back to it. I have to explain to you that the issue is a lot broader than just salaries, because of the benefits and also the security of the job and the fact that it is part-time work, not full-time, in most cases, which adds a further burden to the poverty of women.

Mr Jackson: As you would be aware, the previous government sustained a considerable amount of pressure and we were looking at major collapses of programs and deficits. The minister of the day, Mr Sweeney, went to cabinet and was able to secure additional funds on an emergency basis for bump funding.

Your government has chosen to suggest it is going to spread a certain amount of money over a certain number of groups. Those in the community working with the elderly are particularly vulnerable because of its heavy reliance on the volunteer sector. I am trying to get a sense of who is pushing to ensure that they get equitable treatment. We know the non-profit sector of day care workers has been extremely effective in getting the attention of the government. Your own Premier has reinforced that in his public statements. Nowhere have we seen a public enunciation of the support for this particular group of individual women who are serving the needs of the elderly. I am turning to you again to ask when we can anticipate an answer to that question.

I might say that the reason the Red Cross and the Victorian Order of Nurses and others are not publicly complaining is because they are so sensitive to government grants. They are almost biting the hand that feeds them. They are more vulnerable than, say, day care workers, who are at arm's length from the government, are involved in co-payment, and who are publicly articulating their demands to the government in the media. But this sector does not. It makes them a little more vulnerable in terms of getting the

ear and the attention of the government, because they are totally grant-sensitive. That is an observation.

Hon Ms Ziemba: That is a good observation. You probably remember that last spring I was involved in participation in the rally outside of Queen's Park by the VON and visiting homemakers and Red Cross workers. It was the first time this sector had become as vocal as it had. It was because they were pushed to the very last degree and had no other alternative. And I think they will continue to be vocal. They have had conferences and they have been working towards learning how to lobby the government. I have been involved in that process and will continue to be so. You have my assurance that I will speak up for this group which, unfortunately, has not had as organized a pressure as some other groups.

**Mr Jackson:** Final question, if my time permits me— **The Vice-Chair:** Three minutes.

Mr Jackson: The other side of this coin is the expansion and where we will get the personnel. The truth is that we have identified weaknesses in this province for human resources planning in the health and expanded social services fields. The graduates for early childhood education workers, we understand, numbered fewer than 100 in this province last year. Where can we look to in this government, if not to you, for some human resources planning? If you expand, where are you going to find these people? What is the training available? Is there any planning at all in this area?

Hon Ms Ziemba: Part of the problem with the training is that there were not in previous times—I am trying not to be partisan, on behalf of Mr Sweeney—I am sorry. Either I have graduated you or demoted you, I do not know which. I did not mean to do that. My apologies.

Mr Curling: Very generous.

Mr Mahoney: I have been called worse.

**Hon Ms Ziemba:** I am completely off track. Sorry, Mr Jackson. My apologies again.

In the past, unfortunately, there have not been programs at community colleges that have been sustained for great lengths of time in the training of homemakers. There have been programs that have come and then the federal government has cut back and nobody else has stepped in to carry the ball. The few programs that do come are short and are not as encompassing, so we have to look at that.

We are also in our particular ministry looking at access to professions and trades, which means that people who come from other countries, as you are well aware, who have the background and are equipped to do the work would have the access into the professions and be able to start to fulfil their professional life in this country. That is one aspect of that, but we certainly have to continue to work with the Ministry of Colleges and Universities to make sure that the various professionals. I have to add that there are people out there who do have the skills; they just have not had the opportunity to work, and we need to define—

Mr Jackson: You must be aware—

The Vice-Chair: We are out of time. I am sorry to interrupt, Mr Jackson, but you know we are pressured for time this afternoon.

1420

Mr B. Ward: I would like to ask a question in an area that has been touched on to a degree during our discussion today and yesterday, and that deals with the ethnocultural seniors and the whole scenario that occurs around that specific seniors issue. I think this is an area that has been neglected to a degree—I should not say neglected, but has not been given the priority in the past that perhaps it should have. I can recall, I guess, that in my community funding was allocated for a seniors' counsellor through our Ethnoculturelfest. I think that was an initiative from our government, but it probably was examined and worked on under the previous government.

I think there is a problem in regard to the concerns of ethnic seniors that perhaps in the big picture does not have the focus that it should, because their problems are quite unique. For whatever reasons, they may not understand how our political system works, how our programs are made available to meet the needs of seniors. I noticed in the statement that you presented to this committee that ethnocultural seniors were touched on. In fact you said, "The special needs of ethnocultural seniors must be taken into consideration when planning for the future."

My question, and I hope your reply will centre around that issue specifically, is how do we plan on dealing with the issue of ethnocultural seniors in the future? Is the funding that is allocated through your ministry, I believe, for a seniors' counsellor at our Ethnoculturelfest in Brantford part and parcel of the overall plan to deal with the issue of ethnocultural seniors in this province? I am wondering if you could comment in your capacity as minister.

Hon Ms Ziemba: There are many areas where we have to really broaden our expanse when we deal with the various multicultural, multi-ethnic communities that are in Ontario. One, we need to expand our cultural interpretations to make sure that services are in place, unfortunately not all over Ontario, so seniors or any group can have access to somebody who can culturally explain the services that we have in Ontario, but also on the other hand, explain to the service-provider the cultural needs and the ethnic needs of those particular individuals.

We also, and this has really fallen behind, must be able to deliver. The mainstream agencies have to have a better understanding if they are to deliver services or have assistance in delivering services. For instance, Meals on Wheels should be adopted to specific ethnocultural groups, and that unfortunately has not been done in very many locations. In some locations it is. The Jewish community has had and continues to have a wonderful service in delivering kosher Meals on Wheels. They have a way of delivering those services. We have to broaden that.

There have been pilot projects done in certain communities. The Italian community has started to do a very small meal run in the Italian community from an Italian nursing home. But we also have to make sure that nursing homes and homes for the aged also have the various bed

allocations so that people can receive their services in their culture and in their ethnic diversity.

There is one interesting program in Metro homes for the aged that has to be expanded using volunteers. People volunteer to go in and speak the language to people who are staying in residence. The Japanese community actually provides voluntarily meals to the Japanese patients who are living in one of the Metro homes for the aged.

All those things have to be expanded and developed and moved on to. As our communities change and our society changes, we have to keep building up those various services in those communities. We have to be abreast and on top of which communities are now entering into our society and who are the new groups, because the waves just keep changing. Obviously the demographics change with that too. People become older and we have to start addressing that.

There are many programs that really have to be developed and expanded, and we are hoping to address that in the long-term care reform package that we have started to look at and change the perspective. The other side does not like to hear this, but one of the things that was of grave concern when I was working in the field and striving for change was that the multicultural and the multi-ethnic communities had not been addressed. There was one phrase that was mentioned and it was left all open to not be addressed in a specific way and targeted, and we really have to expand those programs.

Ms Haslam: I have a couple of questions and a couple of comments. I would like to go quickly back to Wheels to Meals. Is there any sort of funding now in the ministry to help Wheels to Meals as a program?

Hon Ms Ziemba: In the Ministry of Community and Social Services there is a little pilot project with funding allocated to that program. But most of the agencies do have to rely on other ways of funding that program so, for instance, the United Way might be one way that an agency might go to get funding for a specific program. But the Ministry of Community and Social Services might not be funding them.

Ms Haslam: The reason I asked again is because the Wheels to Meals program is a little different than getting in the car and delivering meals. It means that you must have facilities with kitchens. Sometimes that is a church, and sometimes an old school. But in order to access those facilities funding is necessary, or it has to be a church organization that does it.

That brings me back to volunteers and another comment. I am passing a couple of these comments on because they come to me and I feel that sharing them with you will help you in your ministry. We have talked a dozen times about the type of volunteer programs that we have in place. The comment came to me that there would be more volunteers if there was some way of helping people with some of the finances.

We talk about getting seniors involved in volunteering, but some of those seniors cannot afford the gas, cannot afford the transportation to come and do the volunteer work or cannot supply some of those things. I am not saying you give them a chit for a cab, but there has got to be funding somewhere along the line so that these volunteers can be more involved. If they are volunteering their time and their efforts, I am wondering if something could be brought in where they could be—not just an award for volunteer of the year, but little things, like paying for the bus fare or for mileage, paying for the gas, or something along that line.

It was brought up to me that there are volunteers out there that do a wonderful job, but there could be more, especially in the seniors area. We could involve the seniors more as volunteers if we could help fund them just a bit. Here we are talking about funding and poverty and seniors, and they were asking them to come and volunteer their time and not help them with some of that funding.

Hon Ms Ziemba: I just want to interrupt at this point, but there are actually means and ways of doing that. Some agencies have a fund where they reimburse a senior for the gas allowance or, if there is a transit system, they will actually give them a token or a ticket for that system. But there is another way and that is by adding up the amount of time or hours that the volunteer might have spent driving and then reimbursing them by giving them a tax credit, as a donation where they put the money and get back a tax credit donation. That does help.

But you are right, especially with the rising cost of gas and unfortunately the rising cost of insurance for cars in the last several years. That has made it very difficult for seniors to want to use their vehicles in case they might have a car accident and the insurance rates would go high again. So actually that is a consideration.

Ms Haslam: Tax credit was the other one that was mentioned to me. Another comment that I would like to make is that I notice on page 19 of your opening address, you said under "Providing Information and Referral Services" that your central information referral services had just undergone a major expansion. I am pleased to see that. Did this senior citizens' guide to services and programs in Ontario come from your central information and referral service?

**Hon Ms Ziemba:** That is the same unit. There were on the desk little brochures.

Ms Haslam: I took every one of them.

The Vice-Chair: I wondered where the pile went.

Ms Haslam: No, I meant I took a sample of every one of them.

1430

Hon Ms Ziemba: They will be distributed to banks and to stores and to various agencies and libraries so that people will have the telephone number to phone the toll-free number. Yes, the information did come from—

**Ms Haslam:** This is the brochure then of which a million copies are now being distributed through the 12,000 outlets and libraries?

Hon Ms Ziemba: Yes, there is another one out there somewhere. That is the million that will give the phone numbers so that people will know the toll-free number to phone for their information.

Ms Haslam: Thank you.

The Vice-Chair: You are down to the last five minutes of your caucus, and Mr Wilson also has a question.

Ms Haslam: Okay, I will talk fast again. The reason I bring this up is because I find it a very, very useful tool. It is something that I am doing in my own riding and I appreciate the fact that it is out. I am passing it on so that you will know that we like that in our riding and will continue it. If Mr Wilson wants to have a question, that is fine and, if possible then, I have one more when Mr Wilson is done with his time.

The Vice-Chair: Mr Wilson, Four minutes.

Mr G. Wilson: There are a lot of things we have been discussing here, I think, that can be covered with neglected seniors. An element that is a fairly recent phenomenon, and is identified as such, is elder abuse that gets worse than neglect in the form of psychological or even physical abuse. I was wondering whether it is true that this is a recently identified phenomenon, and what is the extent of it and what is the ministry able to do about it?

**Hon Ms Ziemba:** I am sorry, could you just backtrack a little bit. I was reading something.

Mr G. Wilson: That is okay.

The Vice-Chair: It is a question of elder abuse.

Hon Ms Ziemba: Oh, yes.

Mr G. Wilson: The concentration of it from neglect, which is something we have almost come to expect, but the idea of physical abuse and/or financial and psychological.

Hon Ms Ziemba: Right. There are many forms of abuse that you have just mentioned and we helped sponsor a conference so that care providers and people working the field would have a forum to be able to come together to discuss the issues and learn from each other.

I spoke at that conference about the advocacy commission that we are instituting and said we will be bringing forth this legislation. I do have some information that I can pass on to you. The advocacy commission is going to play a very vital role in elder abuse or any vulnerable-adult abuse that would be prevalent in our society. I am really encouraged that we could have moved so quickly from the December announcement to being able to bring in that legislation in April, and setting up that commission and working quite quickly towards making sure that we do have advocates who will not only be able to explain to vulnerable adults their rights, but also be able to work on a case-management level and also to try to overcome the systemic barriers that exist for our vulnerable adults. We are very pleased to be able to do that.

There is also the research money that has been allocated to the Advocacy Centre for the Elderly, ACE, to help them develop a manual that will help people who work in the field and to help other people, for instance, the police forces, to understand what elder abuse is, what to look for and how to handle it when they do discover that it is happening in our society.

Mr Curling: I want to say to the minister, just in a brief statement contrary to what Mr Ward, the honourable gentleman over on the other side there, stated, that maybe there was not a priority on the part of the previous government for seniors, the visible minority, the cultural group. They were and continue to be as a matter of fact a priority in the mind of the Liberal Party and our caucus. I read in quite some detail your opening remarks too, and it is not short of the things we also recognize.

One of the problems we do have when new governments come in is to just restate the same statistics over and over again, sometimes delaying the process of action. I know that you are a woman of action. I just want to tell you one action part of it when it comes to the visible minority group, especially in my riding in Scarborough North. In 1988, over 14,000 Chinese moved into that riding. One year along and they are very much active in getting a senior citizens home going. They have dotted all the i's and crossed all the t's and got all of the politicians to speak at all of their lovely dinners and they have made statements.

What I would like to see, Minister, is what your government is doing. First, I wish to say that I did not see any programs or any strategies laid out in your opening remarks. I would like to know what is it that your government and you as the minister are doing to work with the municipality in getting the zoning and getting things moving along so that especially the groups, the Chinese seniors there in my riding, can get their work done and raise a tremendous amount of money, as you talk about the tremendous amount of volunteers working to get the program moving before these people who are in their senior age die.

Hon Ms Ziemba: We shared a very enjoyable evening the other night at a wonderful dinner. Yes, it was very delicious. I understand in speaking to the municipalities that they are moving very quickly to change the zoning regulations, and the assurance that evening from a discussion that I had with the municipalities was that they were moving. If they do not, I certainly will talk to them again, but apparently that is all under control and fine.

Mr Curling: I am gathering that I do have your assurance in this, so you and I will work very closely together to get this done.

Hon Ms Ziemba: Of course, Mr Curling, we always do.

Mr Mahoney: Just as a follow-up, perhaps a supplementary to that, we discussed the Association of Municipalities of Ontario recommendations at the beginning of this discussion on your estimates and I do not know that I got a clear decision as to whether or not you were accepting AMO's recommendation to establish a provincial-municipal working group. Did you agree with AMO that you would indeed do that?

Hon Ms Ziemba: We are still in discussion with AMO. We have had several meetings and we have been sitting and having a dialogue with them. Various ministries have responded to AMO's concerns, and we have all sat down and we are going to continue that dialogue. It is a very important dialogue and we will continue to work because, as I said yesterday, it is not a partnership, but we have to work as a team to be able to make sure that we deliver the services in our municipalities together.

Mr Mahoney: Whether we call it a partnership or a team to me is academic. The key is to the responsibility of municipalities. Having spent close to 10 years on a regional and a local council along with Mrs Marland, she and I both know the significance of having the service delivery sector, which the municipalities are very much a part of, active. I would encourage you—as a matter of fact as a former member of the AMO board—to establish such a working group.

**Hon Ms Ziemba:** I take your recommendation. Thank you very much for sharing it with me.

Mr Mahoney: I would like to get into the drug issue. Before I do that, you also said this morning that there were 85 recommendations from the coroner's jury that we were discussing and that you have implemented a number of those. I do not want you to list what you have implemented today, but would ask if you or your staff could provide us with a list in writing, which of those 85 recommendations have been implemented and the status of the balance, whether they have been looked at, whether they have been rejected or whatever.

Hon Ms Ziemba: Yes, certainly.

**Mr Mahoney:** I would appreciate that. I assume other members of the committee would be interested in that.

The Vice-Chair: I am sure all the committee would appreciate it.

Mr Mahoney: The report of the Pharmaceutical Inquiry of Ontario opens up in its executive summary, Minister, by making a very broad-brush statement that: "Ontarians generally receive excellent treatment involving prescription drugs. For the most part pharmaceutical products are safe, effective and appropriately prescribed, dispensed and used." Do you agree with that statement?

Hon Ms Ziemba: I am not a pharmacist and I would not want to pretend that I am; nor am I a doctor nor would I want to pretend that I am. But under—

Mr Curling: You are a politician so you can be all of those things.

1440

Hon Ms Ziemba: No, I could not. But in my previous work—it is not necessarily that it is the fault of the pharmacy that has promoted and has the drug, and it is not necessarily the fault of the doctor nor of the senior who takes the drug, but it can be the fault of non-communication, the link between the patient, the doctor, the hospital, the previous medication.

It is a very broad statement and I am sure that when they do their research, they intend that the prescription and the drugs they are making are for the benefit—but unfortunately sometimes we do not have the systems in place.

Mr Mahoney: I did not ask the question and I am not asking the question in any attempt to trap you into giving an answer that might embarrass you with another group. What I am getting at is that there is a perception out there, and you hear it all the time, that seniors are overprescribed medication by their physicians, that there is improper use and that they do not follow directions, that the directions are not clear on the dispenser, perhaps, that they get.

Their eye drops: They have the new one where you just turn a click and it shows you which number it is, and therefore you look and you know that if it is on number two, you are supposed to take two drops in each eye at that time of the day, whatever. They have come up with some inventive solutions to this; but there is a perception—in our business, perception tends to be reality, and there is a perception—I want to know if you agree that there is a perception, if you agree with the perception being reality, and what we can do to clarify it if indeed it is not reality.

Hon Ms Ziemba: I think the perception is there and I think it is based on some reality, as you say. We all have examples. I could give you 100 examples of people, although you would probably not want to hear them today, whether they are seniors or others who have gone to one particular doctor and then have gone to another doctor—specialists—and then have gone to a third specialist. Unfortunately, the three specialists are not discussing what medications have been prescribed and they do not, obviously, sometimes coincide with each other and there is an adverse affect on the patient then.

So yes, the perception can be there and yes, it can be based on some reality as all perceptions can be, and obviously there are problems. We have to address those problems and I know that the Minister of Health is looking into the aspects of how we could address the problems in taking a more holistic approach to dealing with patients and their prescriptions.

Mr Mahoney: I take it is a health issue, but with respect I think it is very much a seniors' issue because they are the ones who are at risk in improperly taking the medication. There may be reasons why: Perhaps their vision is impaired or whatever the situation, so I think it is very much a seniors' issue.

**Hon Ms Ziemba:** It is a people issue too because I have had it happen to me.

Mr Mahoney: Oh yes, I agree it is a people issue but we are in the context of your responsibilities and mine as critic for the Liberal Party. I am asking it on behalf of seniors.

I would like to know your government's position or yours as minister on the generic drug issue, with regard to the difficulties of pharmaceutical manufacturers who spend money on research and development and then their patent runs out; on the other hand, the problem of seniors having to pay an exorbitant amount for brand-name drugs when they can get an equally effective generic drug that will solve the same problem. What is your view on whether the government should be encouraging generic drugs? Should we be investing in research and development along with the pharmaceutical firms? Where do you stand on that whole issue?

Hon Ms Ziemba: I believe generic drugs have a place in our society.

Mr Mahoney: What about government-prescribed drugs where there is no substitution allowed, and yet there might be a generic drug that would be available at a substantially lower price. Are you prepared to address that kind of an issue?

Hon Ms Ziemba: Personally I believe that if there is a product to serve somebody and it does the job equally well, I would think that we would want to make sure that product was used, if it saves people money. Do you want me to expand on that?

Mr Mahoney: Just one final one and then maybe there will be time for my colleague.

The Vice-Chair: Three minutes.

Mr Mahoney: All right, good. The coroner's report that we were referring to—I keep coming back to that because it is a drug-related issue in many ways—recommended that medication for adults living in boarding homes be re-evaluated at least once a year. I know it is one of the 85 and I have asked for your total position on that, but on that specific issue, have you started implementation planning on that recommendation yet, or do you intend to?

Hon Ms Ziemba: I do intend to, and certainly I am looking at those particular concerns and have spoken to the Minister of Health and will continue to do so.

The part that I had wanted to expand on, and I did not, was that there are times when we have to stop looking at the use of drugs, in particular medications that are used as Valium would be, as antidepressants. I am sorry. This business of being short is always a difficulty.

Mr Mahoney: I thought it was that I made you relax.

Hon Ms Ziemba: Maybe that is it. Your pleasant smile and Mr Curling and the whole bit, and it is after six hours—

**Mr Mahoney:** It is just a kinder, gentler place, is it not?

Hon Ms Ziemba: That is it. I am told not to encourage you. But there I was, just enjoying myself so much and got too relaxed.

We have to look at providing services so that when people are depressed, they have older adult centres they can attend, that there are friendly visiting services, that there are many things rather than just giving somebody a prescription that would supposedly help and assist them with depression, but usually causes other medical problems. I hope we continue to look at those other ways of addressing those problems, so that we are not an overmedicated society, as I feel that everybody in this room would probably agree we have started to become.

The Vice-Chair: Mr Daigeler, do you have a two-minute question and answer?

Mr Daigeler: We have been talking about the Lowy inquiry and I think you have generally indicated that you are looking at it together with the Minister of Health. I would like to hear a little bit more specifically, have you established any kind of time frame yet in which you are going to respond to the recommendations, or what are your plans regarding this report?

Hon Ms Ziemba: My plans are that we will continue to work and hope that we can implement some of the decisions that came out of that. I cannot give you a specific time at this exact moment. I wish I could, but I cannot. But certainly, as soon as we have come to any arrangement or agreement where we want to proceed with that, I will let

your office know so that you can be aware of that decision, and all of the other people.

Mr Daigeler: Is this a priority for your ministry at the present time?

Hon Ms Ziemba: It is one of my many priorities. I cannot say it is a priority, because I have to then say housing is a priority, long-term care is a priority, and advocacy. It is a big package of many priorities.

Mr Daigeler: If I may suggest, I think you will have to establish some priorities, and I think the public and we as opposition will expect you to choose certain items, because you cannot concentrate on all of them all together. We certainly look forward to that, as for example, the Minister of the Environment clearly has indicated certain areas as her preference at this point, and I think your ministry will have to do that as well.

The Vice-Chair: Thank you, Mr Daigeler.

Mr Mahoney: Madam Chairman, since this is the last time our caucus will have an opportunity to question the minister, might I just take 30 seconds to thank her for her efforts in dealing with some of our tantrums and our questions. I appreciate your frankness and I think you did a good job.

Hon Ms Ziemba: Well, thank you very much, and I have enjoyed this; actually, I did get relaxed.

Mr Mahoney: That does not mean I am going to continue to be nice, but thank you very much.

Ms Haslam: We did not think so.

Hon Ms Ziemba: Oh, I think you always will.

**Mr Mahoney:** No, do not get carried away.

Mr Curling: It was not exactly relaxing when I was in estimates, I tell you.

Hon Ms Ziemba: Is that right?

Mr Curling: No.

Hon Ms Ziemba: No, I think it was just a nice group of people.

The Vice-Chair: We will send the Hansard to the Premier.

Mr Mahoney: Do not bother.

**Hon Ms Ziemba:** I will use that in my next leaflet.

The Vice-Chair: Mr Jackson, the last 15 minutes; it is ten to three.

Mr Jackson: I want to thank staff for bringing me the list of approvals under the access fund and sharing that with the committee. Could I get the list of those applications that were rejected?

Hon Ms Ziemba: Yes, certainly, and I thought we had said that we were going to do that, and perhaps I misunderstood.

Mr Jackson: Okay, that is fine. I just wanted to put it on the record. That is all.

Hon Ms Ziemba: Oh, I am sorry. We already have it.

Mr Jackson: All right.

**Hon Ms Ziemba:** Efficient group. I just realized it was here.

Mr Jackson: That can be handed to me. Perhaps I could proceed with some questions?

Hon Ms Ziemba: Sure.

1450

Mr Jackson: The Advocacy Centre for the Elderly has been expressing concern for a standardized contract, an admissions contract for nursing homes in this province. It is my understanding that your director of residential services branch, Geoff Quirt, has had a copy of a recommended standardized contract, as has been suggested by the Advocacy Centre for the Elderly, in his possession since May 1990. I wondered if you have been briefed on this subject, or if you can share with us what your plans are to proceed with that?

Hon Ms Ziemba: I have not been briefed formally by my ministry staff, but I must admit that I have been speaking to Judith Wah previously on this particular issue, and I am glad that you have raised it today. I think it is a concern that we have to proceed with and thank you for raising that with me.

Mr Jackson: Is the Lightman commission also looking at standardized admission contracts and a clear understanding for families that do the admissions with the institutions, with respect to understanding what the resident's rights will be with respect to restraint, discharge policies, medication, monthly co-payments, and various procedures which should not become a surprise when there is a crisis, but rather an expectation for quality of life while they are living there?

Hon Ms Ziemba: The Lightman commission is really looking into the unregulated homes. Now our advocacy commission that I keep referring to will have a rights advocate who will have the responsibility of making sure that these rights are enshrined, and will continue to work with people who are put into an institution, if that is the case, or into a private home, or carry on with the case management of the advocacy. If you would like, I do have some other information with me today that I can share and give to you after the meeting.

Mr Jackson: The point I am trying to stress is that I am very involved with this issue of rights bills. There is my own victims' bill of rights that I have been working on for three years in the Legislature. I did table a resolution, as I said, in the past, for extending a residents' bill of rights to all elderly citizens in this province that does not discriminate based on the type of accommodation they are in.

But I have a clear respect for the fact that a person does not know he has lost a right if he did not know he had a right to begin with, and it is embodied in a contractual form, in an admissions form which is signed, or when incapacities are there it is signed by the party representing them.

Generally a person goes into a home for the aged with all his faculties and he wishes to know, "What are my rights?" We just have a very disjointed lack of formality, and of time and patience taken to explain to them what their rights are. There may be an incident and all of sudden they are restrained, are bound to their beds. The family says, "Well, this is the first I've heard of it." This is the

essence of what I am getting at. The fact that an advocate would then come in, in my view, is sort of after the fact.

The concept of empowerment flows from the notion that we share with seniors what their rights are up front, that they understand them and that therefore they can articulate them, and that they can reach out and know how to cry for help because they realize that something is wrong. I do not wish to diminish the need for an advocate, but advocates work hand-in-glove. They have to be flagged; they have to be called; they have to be told there is a problem.

Hon Ms Ziemba: I really thank you for your concern, because this is a major concern, that people do not understand their rights, and it is not being explained properly. The rights advocate would obviously do that prior to a situation, so that people would have a better understanding, and also go in when somebody is being challenged with his mental capacity and try to determine whether that is really a legitimate action that is being taken. If guardianship is being suggested, a rights advocate will go in and explain to a person what his rights are, and see if he really, truly understands what is happening to him at the time. So this is a very important commission.

I am really pleased that you have worked so hard in the past, and I hope that you can share your work that you have done with us, because it certainly is of great importance to all of us.

Mr Jackson: We do operate an advocacy program and we have acted in the capacity of a public trustee where no next of kin exists, but that is a service and a training which we have developed through our own constituency office.

Hon Ms Ziemba: Congratulations.

Mr Jackson: Can I move into the issue of code 1 geriatric transfers in this province? I was advised about three months ago that the Ministry of Health had just undertaken a study to determine that the real costs of code 1 geriatric transfers for ambulances in this province was really around about \$180, and that there was some dialogue within the Ministry of Health to increase the user fee or the co-payment—or whatever comfortable language we use to describe a user fee—for these geriatric transfers.

When I got this information I knew the government would not be willing to talk about it because it is not ready to talk about it, and I respect that. But I did undertake a study of jurisdictions across Canada and in the United States to determine what would be a safer, more efficient and less costly system of transferring seniors in this province. I wonder to what extent you are monitoring this, or the Minister of Health has advised you that there is inordinate pressure on geriatric transfers in this province.

Hon Ms Ziemba: I keep forgetting. Thank you for sharing that with me and we will continue to monitor it, and again as you have indicated we are not ready to share that just at this particular moment, but I have interest in it and will continue to see how that progresses.

Mr Jackson: We are currently working on building a pilot project which we wish to present to the various ministries, using the basic models—the best of the various

models—across North America. We are hopeful that you will somehow assist us in bringing this to the attention of the Minister of Health. It does have some implications to the Ontario Public Service Employees Union. My nervousness at this point is that OPSEU will not appreciate taking a portion of its current services at its hourly rate, using ambulance workers, and I do not want it to become a labour issue. I want it to become a very exciting opportunity for this province.

A small province like Alberta, just in the city of Calgary alone on a pilot project, saved \$1.4 million in less than a year, so we are looking at substantive savings if we were just to operate an alternative service here in the city of Toronto.

As I develop the project I am hopeful that your government will approach it from its most important elements, improving the service to seniors, because as you know it is not uncommon for a geriatric transfer to have a two-hour wait to get your ambulance ride home. When response times and code 8s or 9s come in, there have been occasions when a senior has been left at a curbside while they race off to a serious traffic accident.

Seniors would be better served, the province would save money, and our hospitals would not be caught with the charge back. It is a complicated area but I really want to solicit your more than active support in terms of helping seniors with this. I am sure the government is open to saving money, but this is really an elderly issue. Some provinces charge \$70 and \$80 for a geriatric transfer. I do not wish Ontario or your government to be put in a position of raising that fee because its real cost is \$180.

Hon Ms Ziemba: I will look forward to seeing your proposal.

Mr Jackson: Final question, if I have a moment.

The Vice-Chair: Five minutes.

Mr Jackson: The minister indicated some interest in this home sharing program from the Ministry of Housing which specifically assists senior citizens to share their home so they do not lose it, and so they have some companionship. Have you had an opportunity to examine that, as you said you were going to be able to do, hopefully soon? Have you been able to investigate the current position of the Minister of Housing, because we are advised that a letter has actually gone, that the program will not be continuing, by the Minister of Housing?

The Vice-Chair: We did log that with the Minister of Housing this morning and we received back the answer that they are still open to renegotiating the home sharing program and that they have not actually made the decision. They are just trying to see where they can find the allocation funds for that particular program.

1500

Mr Jackson: I need not stress to you the disruption in the lives of those people who have gone through an extensive screening and matching process to create a very comfortable relationship with homesharing, only to find that the government—it is a unique program. It was so hard to get it to work that it would seem terrible to have it cut so quickly. I would really be asking for your active support

and enjoining, as I wrote to you in my letter, your active support to the minister to place this as a priority program to be saved, because I know a lot of the ministers are under pressure to cut programs. It has not been stated but we know that the Treasurer has indicated, as he did to us, that he has put all the cabinet under pressure to look at creative ways of reducing costs as well.

Hon Ms Ziemba: Not necessarily. Just to expand a bit, the Treasurer has not asked us to cut programs. He has asked us to spend our money and allocate in a different way so that we can best provide the services without extra cost to the taxpayers of Ontario in a time of recession, and not to increase the deficit that, unfortunately, we have inherited.

Mr Jackson: Quickly, then, could I ask you about your favourite subject, Meals on Wheels? As I listen very carefully to the care-delivery network, there are some impediments to expansion in two areas: the volunteer pool, which we understand, but also the ability to cook, prepare and serve the meals, because some rely very heavily on hospitals. To the extent that Meals on Wheels can be expanded, to what extent are you discussing with the Minister of Health such basic issues as the abilities of hospitals to expand to meet that need? In many cases, that is where this is being performed.

Hon Ms Ziemba: The provincial organization of Meals on Wheels and also the Metro Toronto organization of Meals on Wheels have received funding to investigate the possibilities of alternative food sources and alternative ways of delivering Meals on Wheels. And as you have said, a good number of the meals do come from hospitals or from Metro homes for the aged. But there are other non-profit agencies already providing Meals on Wheels which want to continue to do so, because it helps their progress. For instance, the YMCA of Toronto provides Meals on Wheels to a number of agencies, and its program is helping people who do not fit into a job category and are being retrained and given life skills to have the opportunity to not only learn a new skill, that is, working in a cafeteria setting, but also it is a very worthwhile product they end up providing. So there are other ways of getting meals and that funding and that research is being done at the provincial level and the Metro level of those organizations. I know they are very close to coming to a completion of having a different way of delivering meals. One of the ways, also, is the frozen meal source.

The Vice-Chair: Thank you, Minister.

Mr Jackson: I would like to take a moment, as Mr Mahoney did, to simply thank the minister for coming. It is not easy being in the first round of estimates for a new government. Having had one opportunity to get to know you, I am delighted that we have been able to build on that relationship during estimates. I think the minister gets a sense that there is a very strong commitment on this side of the table for seniors, that our impatience to advocate for seniors is a shared impatience, and I look forward to working with you in the future.

**Hon Ms Ziemba:** Thank you very much. And thank you for your questions.

The Vice-Chair: Thank you.

Ms Haslam: I also, as I am the last, want to compliment the minister for appearing today. Thank you. I am really pleased you were able to come. But I would like to say thank you for the answers. I have the research initiatives answer. I have the answer to the question about the Are You Listening? book. I am so pleased to see it was less than a dollar a book to produce it and it is given out free, and also the good neighbour communities. To get this information back to us so quickly is really great.

The Vice-Chair: Thank you very much, Ms Haslam. Those answers will be part of the Hansard record, so everyone else will have access to them too. I would like to thank the committee members for their co-operation during these estimates, and also thank the minister and her staff. I think they have survived very well through their initiation to the storm.

The time has elapsed now for the estimates for the Office for Senior Citizens' Affairs and—

Hon Ms Ziemba: Could I just make one point?

The Vice-Chair: You may, Minister. I was just about to call a vote, but go ahead.

Hon Ms Ziemba: All I wanted to say, and I will make it very brief, is that I want to congratulate you on chairing what turned out to be a bit of a difficult meeting this morning. You handled it very well. I also want to thank the committee members for their questions, because a lot of thought and a lot care obviously went into them. I do appreciate your concerns. I think, as we said at the very beginning, that this should be a non-partisan issue. We should be really looking after our seniors and making sure we all work together to provide those services. Thank you again for your patience and your kindness, and helping me relax, Mr Mahoney.

The Vice-Chair: Thank you, Minister. I am now going to call vote 3401.

Vote 3401 agreed to.

**The Vice-Chair:** Shall the estimates for the Office for Senior Citizens' Affairs be reported to the House?

Agreed to.

The Vice-Chair: We are going to recess for two or three minutes while we exchange the members and the ministers.

The committee recessed at 1507.

1513

### MINISTRY OF NORTHERN DEVELOPMENT AND MINES

The Chair: I would like to call to order the standing committee on estimates. Before us are the estimates of the Ministry of Mines, although its proper title is the Ministry of Northern Development and Mines. But for purposes of these estimates, not to sound confusing, we are dealing with the estimates of Mines within that portfolio.

As is the custom in standing orders, we will move in rotation, first hearing from the minister, the Honourable Gilles Pouliot, then the official opposition will be given up to half an hour, the third party will be given up to a half-

hour, and then we will revert back to the minister, who will be given up to half an hour to respond to that which had been said previously. If there are no questions, we will proceed. I would like to welcome the minister. We are in your hands.

Hon Mr Pouliot: Merci, Monsieur le Président. Thank you for your kind presentation.

I am very very pleased to be here. There is a certain irony, for I recognize some of my friends and I am sure the process will allow me to make new friends. I sat where, for instance, my distinguished and close colleague sits. In terms of civility, I know I did excel at it and I would ask to receive the same treatment. I expect nothing less than what I dished out when I was with Her Majesty's loyal opposition and in 1985 with the third party. So I can look to a renewed commitment to civility, decorum and good manners. It is nice to be here.

As you are most aware, this is a unique ministry by virtue of its two mandates; one, for northern development and transportation, as well as the administration of mines and minerals development policy and legislation in the province.

The mines and minerals division works to sustain a vigorous mineral industry in Ontario through three major program areas, namely, mineral resources, mining lands and mineral development. As members of our party are aware, I worked at a mine site for 20 years. In 1964 I ventured into northwestern Manitoba from Montreal, and was allowed, given, offered the opportunity to work in Lynn Lake underground, and I did so for nine and a half years. I saved a few dollars, went back to Montreal, and between Montreal and New York City it actually took me three months to spend the money I had acquired by virtue of my efforts in mines.

I am not too sure, being a big spartan, frugal and from a very moderate background, if any of you can relate to the circumstances that brought me, in this case after Lynn Lake, to Manitouwadge, Ontario. It was already a sense of déjà vu. I worked at a mine site for 20 years, started as a mine helper, went on to become a utility helper, and after some 20 years achieved category 19 in our collective agreement, which said that I was a tradesman flotation operator. So when someone talks about the Ministry of Mines, after 20 years of service with Noranda Mines, I feel comfortable, and why not? After 20 years, it has to rub off—

Interjection.

Hon Mr Pouliot: I am being interrupted. My good friend usually provokes me and brings out the best in me, but maybe I already see myself under a state of siege. I need not worry; I know it will surface during question and answer period.

Because someone has written the famous words "an honest dollar for an honest day's work"—in a safe environment was my credo—I certainly concentrated more on the honest dollar than eight hours' work at a designated workplace.

Nous avons fait de grands progrès pour atteindre cet objectif. Naturellement, nous avons encore beaucoup de travail à accomplir. Je suis confiant—

Mrs Marland: On a point of order, Mr Chairman: I say this in love to the minister. No one enjoys this particular member's French more than I do, but we are at a disadvantage in committee without translation being available to us.

The Chair: Can I be advised by the minister of the format-

Mrs Marland: Do we have the statement? We have not had them from all the ministers. Minister, I apologize.

The Chair: Excuse me. Minister, could you please advise me of the format in which you are presenting your written statements today?

Hon Mr Pouliot: Well, 98% of it will be in English, for I am cognizant of the need to address in a language that is understood by all, but I also have a responsibility because of the contribution that Franco-Ontarians have made to this very industry en masse. I ask to be afforded the courtesy of a word or two, for in my other capacity I am also the minister responsible for francophone affairs.

The Chair: Thank you, Minister, but I did not ask you that question. I asked you what form your written statements take, because several ministers have attended with a French and an English version, and that has been most helpful to the committee. I simply wanted to know to what extent you directed your staff to present your written comments to the committee today.

Hon Mr Pouliot: It is in one sole format with, again, the odd sentence, very limited indeed, and I am repeating myself en français.

The Chair: If that is now an understanding for the committee, the obvious sensitivity and interest and support of the minister for the French language, I wish to share with you that the committee deeply appreciated that the other ministers have seen fit to ensure that we understood exactly the very important message they were bringing to us. If we can now proceed, we will allow the minister to present his report in the manner he sees fit.

**Hon Mr Pouliot:** Thank you very kindly. I should be so fortunate—your point is well taken—to receive compliments in many languages. The more the merrier.

Je suis confiant que ce gouvernement, par l'entremise du ministère du Développement du Nord et des Mines, du ministère du Travail et du ministère de l'Environnement, pour n'en nommer que trois, demeurera engagé à coopérer avec les syndicats, les compagnies, les prospecteurs indépendants, les explorateurs et tous les autres législateurs pour assurer un avenir stable et prospère aux gens qui travaillent dans le secteur minier de l'Ontario.

1520

This confidence is buoyed by the great respect I have for the people who work in this sector and understand the importance of mines and minerals in all our lives. That is why I am so pleased to have been entrusted with the responsibility of Minister of Mines in Premier Rae's government.

My basic policy thrust can be stated quite simply as to promote mining activity in Ontario in a fiscally and environmentally responsible manner. This does not represent a great departure from my predecessors' mandate. However, I do intend over the course of my term to emphasize the need to protect the environment from the negative impacts of mining, both by regulating the startup of new mines and by addressing the legacy of existing mine hazards. This is what the people of Ontario expect, this is what they deserve and this is one of the principal goals I will endeavour to achieve. I am delighted to report to the committee that this goal is one which representatives of the mining community with whom I have spoken since becoming Mines minister share with me.

While economic considerations remain a major factor in the development of mining operations, environmental protection is increasingly becoming as important. Together, industry, government and the people of Ontario must work to achieve sustainable mining development.

Ontario has been blessed with rich mineral deposits. Mining is one of the industrial pillars on which our province was built, and mining activities have shaped the province's economic, social and cultural character.

We are one of the top 10 mineral producers in the world. The value of minerals produced in Ontario approaches \$7 billion a year. The industry employs approximately 85,000 people directly and indirectly and is vital to Ontario's continuing prosperity.

L'Ontario est aujourd'hui un important producteur de nickel, de cuivre, d'or, d'argent, de zinc, de gypse, de sel et d'agrégats et de minéraux industriels.

Many factors will influence the level of success the mining industry in Ontario can hope to achieve in the next few years. Commodity prices, capital markets, the Gulf war, instability in the USSR and the emergence of a European trading bloc represent some of these factors and challenges.

In so far as this ministry can effectively assist in developing in Ontario mining operations we can all be proud of, I pledge to the members of this committee my commitment to the achievement of this goal.

Having said this, I will proceed by outlining the Ministry of Mines' activities of the year 1990-91.

As I have already stated, the mining sector is very important to Ontario's prosperity and our ministry is raising awareness of this industry's role in modern society. In October 1990 Mining Awareness Week helped promote greater awareness of the role of mining as well as highlight new developments in environmental protection, worker safety and improved technology. Many activities were held during that week, from conferences to ore sample displays, and they all helped generate a better understanding of the mining process.

The theme of Mining Week 1990, Minerals Make Our Lives Better, was truly appropriate. It is an accurate reflection of the contribution made to our quality of life by the Ontario mining industry. The Ministry of Northern Development and Mines is sincerely committed and dedicated to helping Ontarians gain a heightened appreciation of the role of mining in all of our lives. In June, we will again be participating in the activities of Mining Week 1991. This is a very effective vehicle for promotion of our mining sector, of the mining sector in Ontario.

In December 1990 my ministry sponsored a workshop on acid mine drainage. This workshop focused on informing the public as to the severity of the problem. University

professors from across the province as well as mining industry representatives and provincial ministries participated.

To this end, I am pleased to say that our government has committed \$1.5 million over the next three years through the environment technology fund to look into the issue of the effects of acids on our environment.

This year, the Ministry of Northern Development and Mines celebrates a century of participation in mining in Ontario. On 4 May 1891 the Bureau of Mines was established as a division of the Department of Crown Lands, with a mandate to inventory mineral resources and recommend methods to encourage their development. Centennial events will help to foster public awareness of the mines and minerals division's role, to acknowledge the contribution of Ontario's mineral exploration/mining industry, and to remind the industry as well of the ministry's continuing involvement in mineral resources development.

An important promotional element in educating the public on the importance of the mining sector in all our lives is the Ministry of Northern Development and Mines 1991 centennial calendar. If you do request a copy, with high respect, we would be only too pleased to acquiesce to your reasonable request. It is a wonderful calendar. It addresses mining and reminds us on a daily basis—that is what calendars are for—of the importance mining plays in all our lives. I do encourage participation and expect it from each and every member of this committee.

The Chair: Perhaps the minister with his kind suggestion would furnish all members of the Legislature with one.

#### Hon Mr Pouliot: Indeed, thank you.

Chaque page du calendrier nous rappelle l'évolution de l'exploration minière en Ontario des années précédant 1890 à nos jours, bien sûr. Les illustrations et le texte évoquent le travail ardu et le dévouement de travailleurs dont les efforts inestimables ont contribué à édifier l'économie de l'Ontario.

Our ministry has identified many other ways of raising public awareness of the mining sector during the centennial year. The production of a brochure will help to illustrate the Ministry of Northern Development and Mines past, present and future role in the development of Ontario's mineral resources. Ministry staff are also preparing an audio-visual presentation that will focus on the contributions made by the mineral resource sector, its pioneers and its communities.

This year, symposiums and seminars will encourage the exchange of information within the industry and will underline the mines and minerals division's continuing role in the development of a healthy mineral resource sector. Centennial displays will be presented at the annual mines and mineral symposiums in Toronto and in northern Ontario, at the Prospectors and Developers Association of Canada's annual convention, and at other venues, such as open houses at ministry offices throughout the province.

The Ontario Geological Survey, OGS, is also helping to make information more accessible for the average person who is interested in our mineral resources. The OGS is producing a bilingual—Mrs Marland—popularized version of

the Geology of Ontario. This publication of about 40 pages will be aimed at the general public.

The Ministry of Northern Development and Mines is positioning itself for the future. Last fall many staff from the mines and minerals divisions moved to Sudbury, some 230 miles from Toronto—you remember that, Mr Chairman—to say: "Look, we believe in the people of the north. Mining means northern Ontario, it means a lot to us, gives us our place under the sun. So mean what you say. Move real jobs, real people, to the north to represent the industry, the aspirations." This was done, and I want, with your consent, sir, to make every member of this committee aware that this process is ongoing. We are not talking about numbers in a book, we are not talking about faces in the crowd. We are talking about real people who have

If you will allow me this opportunity, with Brock Smith, our deputy minister, Dr John Gammon, our assistant deputy minister, and many people who have ventured south for the edification of the members of this committee. They are members of our family at Mines. They go beyond what is expected of them; they do not count the hours. We are very happy for their participation. They reflect the contribution the people of the north are making, for they are northerners themselves.

moved to Sudbury, many of whom are with the ministry.

La direction des terrains miniers et l'exploitation des minéraux, appuyées par le personnel de la Division des services ministériels a emménagé dans le nouvel immeuble de l'administration centrale du ministère au centre-ville de Sudbury.

#### 1530

The offices are right in downtown Sudbury. You cannot escape them. They are conducive to good mineral order. This is a workplace and everyone in Sudbury relates to it. Again, we are very proud. We can never be repetitious on such a good deed, Mr Chairman, and I know you do appreciate that.

The ministry relocation—I just talked about it. Who writes these things?

As I stated at the beginning of my remarks, the mines and minerals division of our ministry has three major program areas. They are mineral resources, mining lands and mineral development. At this point I would like to review these three programs.

Mineral resources: The mineral resources program provides comprehensive and publicly accessible geoscience and mineral resource information by means of geoscience investigations, publications, libraries and resident geologist offices.

This information is provided for the following purposes:

- 1. To support private sector exploration and development of mineral resources;
- 2. To facilitate land base utilization, geotechnical and environmental engineering activities;
- 3. To assist planners, consultants, educators and the general public, and
  - 4. To encourage and support geoscience research.

Dans ce secteur d'activité, la Commission géologique de l'Ontario ouvre la voie dans le domaine de la recherche géoscientifique et dirige des travaux d'exploration et des études géoscientifiques détaillées dans toutes les régions de la province.

Special studies are oriented towards origin and occurrence of mineral deposits, the identification of favourable prospecting areas, and the physical, chemical, and engineering characteristics of the provincial land base.

Our annual mines and minerals symposium provides a forum for communication between clients and ministry staff on mineral development opportunities, geoscience investigations by ministry staff and research projects funded under the Ontario geoscience research grant program, a most popular program—you can certainly appreciate that, Mr Chairman. We are very proud of our geoscience research grant program.

In December the symposium's geoscience research seminar provided the release of information about current geoscience projects to ministry clients. This is an excellent opportunity for staff geoscientists to meet with industry and university people and the general public to discuss branch projects and field-work activities. As important as the information-gathering is getting the information into the public's hands.

L'an dernier, la Commission géologique de l'Ontario a participé à la mise au point de nouvelles techniques de préparation de rapports et de cartes ainsi qu'à l'élaboration d'un réseau informatisé d'accès à nos bases de données géoscientifiques.

As a result of a co-operative effort between industry and government, the OGS has achieved a breakthrough in the presentation of geophysical maps. A revision to computer software has produced drastic improvement in coloured, large-scale geophysical maps that will benefit all the ministry's clients and set a new standard for geophysical maps. Fascinating indeed. A new computerized method of recording, analysing and drawing preliminary geological maps in the field, as surveys are being done, has been developed and distributed by the OGS. The software, called OGS Fieldlog, is a new portable system that enables geologists to analyse, revise and archive information. The system has been adopted by three universities and will be taught to their students in field schools.

As part of this ongoing effort to improve delivery of geoscience data, a fast-track method of report and map production was initiated. Utilizing the latest computerized editing, typesetting and cartographic technology, it is now possible—I know some members of the committee will be somewhat appalled and shocked—to take a manuscript report and colour map through the editing, production and printing cycle in less than six months.

During the first 18 months of fast-track production, 21 reports and 19 full-colour maps were released. This compares with—dramatic change indeed—seven reports and eight maps during the previous 18 months. The fast-track method is being studied by other geological surveys, including the Geological Survey of Canada, so once again Ontario is setting the pace in providing and improving data delivery procedures.

Geophysical surveys are an important function of our ministry. Airborne magnetic and electromagnetic geophysical

surveys provide detailed information to assess the mineral potential of areas that may contain mineral deposits. These airborne surveys are conducted in areas of high potential for metallic mineral exploration. The technique allows geophysicists to gain some idea of what rock types might exist beneath the surface without having to drill or physically probe. Equipment on board the aircraft emits a pulsating electromagnetic field towards the earth. What bounces back is an altered electromagnetic field, and how it is altered provides clues, if you know how to read those charts—it gets more interesting as I go along here; listen, you may learn something-to the physical properties of the rocks below the surface and potential mineral concentration in the rocks. Those are career-enhancing statements for people who work long and hard producing these things for the minister. The resulting maps can be used for planning surface or underground exploration.

L'automne dernier, la Commission géologique de l'Ontario a publié les résultats de cinq levés géophysiques aéroportés effectués dans les régions de Batchawana, de North Swayze-Montcalm, de Sturgeon Lake-Savant Lake, de

Shining Tree et de Rainy River.

Four other surveys, with a total geophysical coverage of about 54,000 line kilometres, were conducted in the fall and winter. The areas of the Partridge River, Benny, Shebandowan and Birch Lake-Uchi Lake were chosen because of their potential to host metallic mineral deposits. The results of these surveys are scheduled to be released next summer in both map and digital form.

In addition, Ontario was also at the geophysics forefront in preparing a province-wide grid of aeromagnetic data which provides the base for a wide range of improved aeromagnetic data interpretation by mineral explorationists and geoscience consultants. This project is fast becoming a standard for other provinces in Canada, and the grid will provide a base for many new computer applications of provincial magnetic data in the search for minerals and an ongoing search for more mines.

My ministry operates 15 resident geologists' offices across the province. The resident geologists are responsible for monitoring and stimulating exploration in Ontario. They are indeed experts on the geology of their area and are able to conduct and supervise field studies.

Resident geologists provide a local point of access for information and professional consulting service to prospectors, exploration companies and the public on the geology, mineral deposits, exploration and mining techniques and activities in their district. Among their other duties the resident geologists hold prospector-training sessions, report on exploration development projects and producing mines in their area, and provide mineral-potential evaluation for the province's land use planning programs.

1540

Moving right along, the ministry also supports geological research programs that provide increased understanding of our mineral potential. In 1990, 20 geoscience projects at eight Ontario universities received a total—wow!—of \$500,000 in provincial grants. These research projects investigated improvements in mineral exploration technology and assisted the ministry's mineral resources programs.

The Ontario Geological Survey, referred to as OGS, maintains good working relationships with Ontario universities, and our relocation to Sudbury will particularly strengthen ties with institutions such as Laurentian University and Cambrian College, both based in Sudbury, and Lakehead University in Thunder Bay. With this will come, I believe, a strengthening of the networking of our northern universities with southern Ontario universities and other educational institutions which deliver geological and mining-related curricula, such as the Haileybury School of Mines.

The year 1992 will be indeed a very special year, because we will be officially opening the research centre at Laurentian University at a cost of \$49 million to the tax-payers, and of course we will by that time have completed the transfer of our geoscience team to Sudbury. So to all intents and purposes everyone who is related to the Ministry of Mines will be based in there. We have no intention of neglecting the need to service our clientele, the client group, all the stakeholders. So we will be in an ideal position to put our best foot forward and to make sure that our efforts are conducive to good mineral development through the making and development of more mines.

On the subject of mineral development, of course, the mineral development program of our mineral development and lands branch assists Ontario's mineral development through four functions as follows:

- 1. Seeking and developing new opportunities and market niches;
- 2. Co-ordinating development projects and providing assistance to the minerals industry;

3. Supporting research in mining technology;

4. Advising government and industry on legislation, market trends and technological advances.

Mining moves our economy. The development of our province's mining wealth is one of the prime movers of our economy. The minerals we extract from the earth add immeasurably to our standard of living and our way of life. One can be certainly safe that if it is not farmed, it is likely mined. It never stops to shock and appal me that we take mining for granted. Where would we be if it was not for mining? All we have to do to realize it fully is, for instance, we would all be standing up because of the steel, because of the alloys. Nothing goes on without the important contribution that mining does to our daily lives.

Again we are talking in terms of 85,000 in Ontario, 85,000 direct and indirect jobs, a contribution of \$7 billion to \$8 billion in production, \$150 million last year into the pockets of Treasury, and that is very direct. We all understand it. That is a contribution in real terms.

Mining is a dynamic process that can be divided into four distinct stages: exploration, development, production and closure. The new Mining Act recognizes this as a progression and provides for its regulation, especially at the closure stage where new provisions have been introduced in part IX of the Mining Act.

Last year, two working groups were formed to generate the regulation required to put part IX of the new act into effect. One group was made up of mineral industry representatives, while the second consisted of staff from the ministries who currently regulate mining under other acts. Both groups met regularly to formulate the new regulation, with our ministry staff taking an active part with both groups. The two groups met to complete a draft regulation which was reviewed by the public prior to the final drafting process.

Simply put, it is the following: mining reclamation for the day when a mine ceases to be in operation. The regulation will put teeth into the Mining Act. The focus is that you have to be, you are compelled, it will be mandatory, it will be in the statutes to be more favourable to the environment. We are going to be consistent. We will be reasonable also, but a few dollars will be put aside for the day when you are no longer in production. You will not leave a mess behind you. We will not have to chase the owners. We will be addressing the environment.

We will say: "Hey, do your thing. We want to wish you well. You are providing jobs but now you also have a responsibility." That then has been well taken. This will be the highlight when the new Mining Act, by virtue of its regulation—target date 1 June—comes into force.

This requirement for an approved closure plan before production starts will result in mines being developed, operated and closed in a more responsible manner. It will make proponents consider closure issues when designing the mine.

For the newcomers, for people who are successful, whose dreams are coming true and are opening a mine, we are saying: "We'll do it together. But you tell us what you will do. You tell us about your closure plan before you even start, as a condition of doing business. Since you are a finite resource, since the day you take one rock out of the ground and put it into the box you're that much closer to extinction, we want to know what's going to happen after." Part IX of the Mining Act will do this consistently and at a reasonable cost.

We are all very much aware of the need to be more favourable to the environment. We are also painfully aware that times are tough, that we are in the midst of a severe recession. Then of course an important function of our ministry, particularly in tough economic times, particularly during a recession, is fostering more activity in the mining sector. Especially important is the exploration side, which helps ensure the future of the industry.

Incentive programs have been offered to encourage the search for new wealth. Such programs are essential if we want to continue to encourage the search for such new wealth. For mining to remain an economic pillar in this province, exploration must continue. The prospector, the small exploration company, the investors, the developers—all must be encouraged to maintain their level of activity despite more trying times.

The Ontario prospectors assistance program, OPAP—this is so important. This is grass roots. This is the proverbial or the not-so-proverbial Harry Smith with his hammer being given—providing he files the forms, and in most cases they qualify. Under the OPAP program you are telling the prospector, "Look, we're giving you \$10,000 to do your thing." The program has been very heavily subscribed. It has been very popular. It has benefited always

and only the small players, if you wish, the people who would not have gone in the bush in most cases, would not have been able to put their best foot forward, had they not received that gentle push.

In all honesty, this program was started by the ancien régime. It was started by the previous administration.

1550

The Chair: I understood that.

Hon Mr Pouliot: No government is all bad or all good. This is a program that—look, give credit where credit is due. All we have done is enhance the program. We put more money into the program. We have come closer to addressing the demand, but I want to make clear and pay credit to the previous administration. I was there and experienced it at first hand, and you did too, sir, when we had the accord in 1985, and I do recognize some of the wording under the OPAP program.

Also, to complement the OPAP program, we have an OMIP program, Ontario mineral incentive program.

Interjection.

Hon Mr Pouliot: You have a showing you were given a few minutes ago, \$10,000 to do your thing. You pick up a rock and it is interesting that now you want to do some exploration. You guessed it. The government of Ontario is with you. We upped the ante. You did not stand alone 10 minutes ago, but now you have an interesting showing. Your chance to dream may become a reality. You are almost there, but exploration costs money.

Mr Curling: How much more money is that?

Hon Mr Pouliot: Thirty cents on the dollar, up to a maximum of \$300,000. So you have gone from an OPAP perspective to an OMIP investor. We are getting closer to the dream of cutting the ribbon.

Mr Curling: I have a dream.

Hon Mr Pouliot: Of course, if you are in a designated area, if you are among the less fortunate for a time—

Mr Curling: Throwing rocks one day.

Hon Mr Pouliot: —be it Kirkland Lake, Elliot Lake, Nakina, Geraldton, Beardmore, Longlac, Manitouwadge—

Mrs Marland: I have been to all those places.

**Hon Mr Pouliot:** I know you are well travelled, Mrs Marland.

If you have been designated as an area that is suffering, then the government will go from 30 cents on the dollar to 50 cents on the dollar. This is as far as the government got.

This is a strong partnership. We have gone from the OPAP program and we are going to the OMIP program and we are increasing the money, even if our revenues are decreasing. We are saying, "No, we must sustain the encouragement." So we are increasing OPAP; we are also increasing OMIP.

Last year for instance, 174 OMIP applications were approved for assistance, for a total of \$10,805,000 in potential grants.

Earlier this month, just to talk briefly about it, add to the list of underserviced areas, of communities that are suffering under difficult times, the township of Atikokan, because they too will be the recipient of consideration up to 50%.

I cannot emphasize enough the importance of the exploration sector, not only to Ontario's economy but also to the future of the province's mining industry. The cancellation of the federal government's Canadian exploration incentive program—we are talking about flow-through here—is a most unfortunate and untimely decision by the federal government. None the less, our government is taking steps to ensure that exploration activities continue in difficult times so that the future health of the mining industry in Ontario can be assured.

Mining lands: The mining lands program of our mines and minerals division ensures public access to crown mineral rights through policy legislation and regulation for the acquisition in this position of mineral rights, and through competitive mineral exploration and development of land base.

Le secteur des terrains miniers de la province relève de neuf divisions minières, chacune étant administrée par un conservateur de registres miniers. Par le biais de ce secteur, le ministère met les droits miniers des terres de la Couronne à la disposition des particuliers et des sociétés détenteurs d'un permis et qui ont obtenu ces droits par le jalonnement de concessions minières de 16 hectares.

With regard to the new Mining Act, under the mining lands program there is more good news for prospectors.

The Chair: Excuse me, Minister, might I interrupt and ask how much longer you will require. I have extended your time now to 44 minutes. I would like perhaps to get guidance from you about how much longer you will be. I do want to give you an opportunity to complete. You bring a very romantic notion to the Ministry of Mines and this is refreshing. I did not want to interrupt you, but I did want to get your guidance as to how much longer you will need.

Hon Mr Pouliot: Never would I allow myself to tax the patience of people, and I do apologize. I say this with all the sincerity at my command. While I was romancing the rock, I may have got carried away. There is so much to be said about mining, for a moment I forgot that nothing stops the march of time.

The Chair: I am still waiting for an answer.

Hon Mr Pouliot: Yes, and I do appreciate your kindness—

**The Chair:** Now you are romancing your answer. I would like to know how much time. I want to be fair to everyone. How much time would you need, sir?

Hon Mr Pouliot: I am just about to conclude.

The Chair: Wonderful. I am pleased.

Hon Mr Pouliot: The list goes on and on: easier to issue licences, new rules that will benefit prospectors, because those are important when you are in the field, when you watch experts working their craft, very, very important.

I thought that I was somewhat familiar—I have always been comfortable—with mining, and I cannot overemphasize the contribution that is made by the civil servants, people in our ministerial office, working collectively, searching long and hard for ways, for legislation that will increase the degree of activity in mining.

Oh, yes, we are fully cognizant of the need to better promote our industry, the need to educate, not only members of the committee, for they have so many subject matters to address that one cannot expect them to give mining the justice that it so rightly deserves, but they too in time will go through the same experience as we have at the ministry. They too will make mining a priority. They will want to join us in promoting the efforts of that vital contribution to our system.

We have focused on that pact, something that has become a credo. Collectively to a person, this is what we do. We do it in the 59 operating mines in the province of Ontario. We tell the communities: "Put your best foot forward. You have a lot to be proud of." We represent what is best in society, the modern spirit, the chance to dream, expediency, entrepreneurship, partnership. We build bridges with labour, intelligent discontent, the finding of solutions. We live and relive that experience on and on again, and invite everyone to join us.

We are looking forward to a very constructive estimates process. Merci. Thank you for your patience. Thank you for your attention.

1600

The Chair: Thank you, Minister. Mrs Marland, do you have a procedural question?

Mrs Marland: I just have a point of privilege. In response to the minister's comment that I am well travelled, I would like to confirm the fact that all of that travelling was done on the resources development committee when we visited 17 mines in this province, and I concur wholly with the comments of the minister today.

The Chair: Well, that is your privilege but not necessarily your point of privilege.

I would like first to indicate that the minister took 47 minutes. It would be my suggestion that we do one of two things: either extend the time to the two critics or reduce the minister's response time accordingly. I will take guidance from the two critics. I received no challenge to extend his time, and I did not see the need to upset the flow until—

Mr McLean: On a point of privilege, Mr Chairman: It is a problem I have but nobody else has. I have a speaking engagement tonight at 6 o'clock, and I am wondering if the committee would be able to proceed with the official opposition. I wondered if I would be allowed to wait until tomorrow at 10 o'clock for my opening remarks.

The Chair: May I ask, Mr McLean, with the indulgence of Mr Miclash, if you could do yours now, would that give you sufficient time to get to your riding?

Mr McLean: Yes, I think it would.

The Chair: I do not wish to prevail on you, but would that be amenable?

Mr Miclash: Yes. I have no problem with that.

The Chair: That is very much appreciated. If I can, I will proceed to recognize you immediately, Mr McLean.

I still wish to get your guidance with respect to the use of the half-hour time spots and, if it is agreeable, that it is deemed that the minister's 46 minutes was part of his complete hour associated with the preamble portion.

Mr McLean: My presentation will be less than half an hour by quite a bit. What I am going to do is make a presentation, I am going to have some questions in it, and that in turn will give the minister and his staff a chance, when we come back tomorrow, for some of the answers to some of the questions. I will even give them in writing to him so it will make it that much easier for his staff. Can I proceed now, Mr Chairman?

The Chair: The minister has no difficulty if we get into the question and answer period even sooner. I will recognize Mr McLean now and then I will move to Mr Miclash and then I will recognize the minister.

Mr McLean: I am pleased to have this opportunity to participate, as are the rest, and I am pleased to participate on behalf of our party in today's consideration of the 1991 estimates for the Ministry of Mines.

I want to use this opportunity to ask some questions as well as offer some constructive ideas and, naturally, some constructive criticism.

You are no doubt aware, as everybody is, that the Ministry of Natural Resources originated with the amalgamation of the former departments of lands and forests, and mines and northern affairs. In 1985 some of the mining-related responsibilities were transferred back to the reconstructed Ministry of Northern Development and Mines. The mining section of this ministry is responsible for encouraging and regulating the orderly development and utilization of Ontario's mineral resources.

I would like to take this opportunity to address four areas of concern that I feel have a relationship to Ontario's mining industry. Those areas are: (1) energy supply and Hydro rates; (2) native land claims; (3) taxes; and (4) the environment.

We all know that this year the Ontario Hydro rate increase reached 8.6%, and that does not include the goods and services tax. I am concerned that the high cost of power is quickly outpacing inflation, and I am also worried about the security of supply. The former Liberal government's decision to purchase power from Alberta leaves the mining industry, and all of Ontario for that matter, at the mercy of and dependent on another province. The moratorium on nuclear power development will delay decisions on new sources of supply here in our own province.

I believe that if an industry like the mining industry is to contribute to economic growth by providing jobs and creating wealth here in Ontario, it must have access to a secure supply of power. The Minister of Energy, during her estimates hearings, said there was no shortage of power in the province and that conservation efficiency would provide the needed power over the next decade. The Ontario Mining Association considers that mining is one of the industries in Ontario that has done a considerable amount already with respect to saving power. As our critic for Energy said during the Energy estimates, conservation and efficiency programs are not new in this province; they

are good management techniques, and I sincerely believe the mining industry has been practising these good management techniques. What the Minister of Mines and his government must remember is that if Ontario loses industry it loses jobs and the tax base that pays for Ontario's social safety-net programs.

The minister and his government must also remember that if a mine closes or experiences massive layoffs, the dependent community will suffer an imposing decline in its economic fortunes. Within the past year or two, it has been the turn of Elliot Lake, Temagami and Kirkland Lake

to experience this problem.

At this point, I have a few questions I would like to put to the minister. Did the Ministry of Mines review Ontario Hydro's environmental assessment for its demand-supply plan, DSP? If so, will he share with the committee a copy of the ministry review and tell the committee what the Mines ministry's major comments on the plan were? If the Mines ministry did not prepare a review of the DSP documents, why not? Is the minister not aware that the linkage between industry and the supply of power are crucial?

I will go on with these, as I mentioned, Minister, so it will give you the chance to come back tomorrow with the

replies.

Does the minister intend to have his staff either participate in or at least monitor the DSP environmental assess-

ment hearings starting later this month?

My next area of concern relates to native land claims in the province of Ontario. According to the mining industry, the NDP government has been moving ahead with native self-government before actually defining what self-government is. The industry is concerned in particular with areas in Treaty 3 and Treaty 9-James Bay and Hudson Bay watershed—where 25,000 of the 30,000 people are natives living in approximately 26 separate communities. Minister, your government has directed business and industries operating in these treaty areas to undertake communications efforts with the native communities; but your government is behind the times, because they have been doing this for several years now. In fact, there are at least three mining companies that already have agreements with the nearby native communities regarding guaranteed jobs, infrastructure improvements, etc.

I am concerned that the current government will undertake to sign interim agreements with native communities that would be in place while self-government is being negotiated, and these agreements could deny access to land for mineral exploration. It usually takes about 10 years from the exploration stage to actual mine development. If exploration companies are denied access, it would delay mine development, which in turn would delay job creation, economic development and new tax revenue.

I would like to know how the minister views his government's movement to implement native self-government and how he sees it impacting on the mining industry in Ontario.

1610

There is no doubt the mining industry is hurting right now. Mines are closing, workers are being laid off and mining communities are being devastated by the effects. There is also no doubt that the NDP government will announce major tax hikes in the upcoming provincial budget or be confronted with a huge deficit in the 1991-92 fiscal year.

The Agenda for People would indicate corporations might have to bear the brunt of any tax increases, as this would appear to be more acceptable to the people. But the government fails to realize that, in addition to the basic corporation taxes, there is already a mining profit tax that brings in \$130 million annually, and a royalty on all mineral products in this province. If mining companies are forced to bear an increase in taxes, we could very well see a reduction in their competitiveness with other mining jurisdictions and it would be one more reason for them to leave the province.

Ontario at one time enjoyed a competitive edge in the mining industry. Our ore bodies are still rich, but the economic incentives and conditions are becoming better elsewhere. Exploration is increasing in many other jurisdictions. For example, in Nevada where the gold mines are abundant, Canadian mining companies are practically falling over each other to compete in exploration. Exploration is also on the rise in New Guinea, Chile, Turkey, the Andes, the South Pacific and south of the border in Nevada and California.

Statistics in the 1990-91 estimates briefing book show a 13% decrease in the total number of mining claims, a 59% decrease in the number of mining claims staked, and a 33% decrease in the number of days worked on claims. I am concerned that these statistics indicate that mining exploration activity in Ontario is suffering, and I hope the minister will use this meeting to comment on this trend and outline what he sees for the future.

I would also like to know if the Minister of Mines has been consulted by the Treasurer about additional taxation of the mining industry as we get closer to the provincial budget. Has he been consulted?

Ontario's mining industry has a number of concerns regarding environmental initiatives and directions of the new government. Over the past five years, the mining industry has been dealing with the massive costs of implementing MISA, the municipal-industrial strategy for abatement, to stop pollution of the waterways. So far they have spent more than \$25 million just on the monitoring phase alone. The industry is also concerned that the coming CAP, clean air program, will be implemented in a similar manner and will result in another huge burden in terms of time and money.

The mining industry would like to see CAP implemented in a more efficient manner than has been the case with MISA. I would like to know if the minister is participating in any way in the development of the clean air program to ensure that the interests of the mining industry are being taken into consideration. If the minister is not participating, I would like to know why not.

The mining industry is also concerned about the coming environmental bill of rights and is wondering if heavily regulated industries like mining will be faced with shutdowns by an individual. Is the Minister of Mines actively participating in the development of this bill to ensure that the interests of the mining industry are taken into consideration when the bill is drafted? That is the question.

There are an estimated 3,000 abandoned mines in Ontario and there is the possibility of tailings spills occurring at many of these sites. The coming changes to the Mining Act will require companies to set aside sufficient funds to return mine sites to their natural state by rehabilitating tailing areas with revegetation or other methods, along with the removal of buildings and the capping of mine shafts. Is the minister confident that the changes to the Mining Act will prevent further incidents similar to that which occurred at Matachewan, when approximately 10,000 dumptruck loads of tailings from a former gold mine were washed down the Montreal River after a lake overflowed its banks? Do these changes to the Mining Act contain provisions for the cleanup of any waterways that might be polluted by the tailings spills?

I look forward to receiving your replies on these, and I hope your staff could have some of them prepared for tomorrow so we have some of the answers. Those are some of the main questions I have. If the ministry staff would like some of my notes, that is quite well. Thank you very much.

Mr Miclash: First, I would like to welcome the minister and his staff to the committee. I am looking forward to the estimates, as we move through many questions we have as well. I must say I have enjoyed the minister's comradeship and talent over the last three years as a comrade from the north, and we have shared many discussions on many particular issues for the people of the north. I would like to welcome those people from the north—I notice we have a few people, even one from Kenora, in the audience, as well as the deputy minister back from his native land, northern Ontario; knowing he is very happy in moving back to Sudbury—as the minister eluded to earlier, a move that took place under the previous administration, which we are very proud of.

I would also like to say that the minister today alleviates some of my concerns about what he calls "an industrial pillar" on which the province of Ontario was built. I was a little concerned, actually, about what this government's interest in this industrial pillar might have been, knowing it was not mentioned in the throne speech, a throne speech in which I remember the minister saying he would have a good amount of input on behalf of northerners—he would not be sitting out in the bleachers, as he mentioned. I was a little concerned.

I am a little concerned about some of the statements made by our present Premier as well, in terms of the industry and how it will best serve the needs of the people, especially those in the north. Mr Rae gave us some figures saying we have 85,000 jobs connected to that mining industry and, as he knows and I know, a lot of these jobs are in the north and an industry in the north we are very dependent on. I would just like to mention, as I say, that he somewhat alleviates my fear that this government is not going to show the interest in mining the previous government did.

I would like to mention that the previous government did bring in some excellent programs, the Ontario mineral incentive program being one of them, a program we are proud of; the Ontario prospectors assistance program being another, a program which I as the member for Kenora was able to become personally involved in. The minister indicated some things we did for the prospector, the people in the field, the grassroots of the industry, and some things I am very proud of as part of that administration and part of taking those dollars into the field.

We, as the official opposition, will of course be asking some more specific questions about the programs: where they are today, where they will be tomorrow. I am happy to note that the minister has indicated already a good interest in these programs and possibly an interest in seeing them

go on.

However, I was a little disappointed that you had very little to say about the present economic situation in mining in the province as it stands today. I was happy to hear about the calendar—as a matter of fact, I have ordered 12 of them already, and I know it is very good—but a very small portion of your presentation today was on the present economic situation of the mining industry in the province today. I guess what I am going to be doing is bringing a lot of my comments back to you around that situation and the survival of this present industry in what we know is a very competitive industry throughout the world.

Only last week, I was able to participate in a federal task force that met in Dryden to listen to the concerns of northern residents. During the presentations we had a consulting geologist from Dryden make a presentation to the task force and talk about mining. He indicated that he was the only one left of five consulting geologists in the area—again, something which points to the severity we find ourselves in in terms of the economic downturn in this industry, especially in and around the part of the north I represent. We will be talking about that.

1620

I have indicated the importance of the industry to the province of Ontario, and Minister, as we go on into the eight hours, we will be coming up with more specific questions. Today what I will do is just outline, relate some of the areas to you at this present time and then move in on as we get farther into the estimates.

I cannot stress enough the economic impact and the situation of the mining industry today in the province. We will be looking to you for guidance as to what this government will be doing to help those people such as I mentioned, the consulting geologist from the Dryden area, who had many specific questions which I will be bringing back as we move on into your estimates, the way this government will be planning to help those people out in the field.

The Mining Act you touched on briefly. We will be asking you how you will be going to continue in the implementation of the new Mining Act. You touched on various sections of it in your delivery today, and again, we will be quite interested in hearing what you have to say in more specific detail.

One of the programs anybody connected with the industry will know about is COMDA, the Canada-Ontario Mineral Development Agreement. As the minister will know, it is a five-year program that concluded in March 1990. We, the previous administration which the minister talked about, were in a position to renew our \$15-million commitment to the program, should the feds do the same. Now we will be asking the minister where he is at in terms of that program and what he has done in terms of encouraging the feds to come in with the renewal of that.

The minister will also know that of very particular concern to myself are the environmental assessments. He knows that in my riding for the first time in the history of mining we are carrying out an environmental assessment on a company that wishes to go ahead with what looks to be possibly a very rich find and something that could turn into a very successful operation, an operation that will bring considerable growth to the industry, jobs to an area that very much needs those jobs, and of course, as the minister spoke about, various economic spin-offs that will come from this particular project. So of course I will be asking the minister some very specific questions on the Shoal Lake development, its progress in terms of the environmental assessment and what he has in mind for that.

I must say that at the present time I hope to alleviate a lot of concerns that I personally, representing the area, have in terms of this development, some conflicting opinions coming from the government. Again, I will be getting into further depth in terms of that.

The minister indicated that they will be taking a look at what they are doing in terms of mines. As we know, it is often said that the first day the shovel goes into the ground is the first day in the life of the mine, which will eventually come to an end.

Now the minister has indicated some programs—and again we talk a little bit about the previous administration—that deal with the mines that are going into production and what will become of their shafts. We know some very significant danger areas they leave behind, but I think what we will be particularly interested in is taking a look at what is going to happen in terms of the abandoned mine sites, those that have been left behind by companies that have already removed themselves from the area. In some areas it is not to be known which companies actually had been in the area and who should be responsible for it.

As I indicated earlier, the economic situation of mining in Ontario today is not in the greatest shape, and I often think of the exploration companies, the junior resource companies, the junior mining people out there and what we will be looking at in terms of programs for them.

Of particular interest to myself as well is what the Quebec government is able to offer in terms of tax credits for its exploration projects. We know at the present time, because of their income tax system, they are able to offer 133% tax credit for these projects, a very significant boost to their mining industry. I am sure the minister is aware of that, and will as well want to comment on that.

Speaking of taxation, we know that the mining industry is often hit with extremely high levels of taxation, particularly at the municipal level, and we will be taking a look at how this government plans on helping those mines that are having particular difficulty with that.

I mentioned earlier about the competitive element that the mining industry finds itself in today, and I think what we will be expecting the minister to be looking at is how it actually fits in, not only in the Canadian market with other provinces, but as I mentioned earlier, in a much more global economy and a much more global fashion.

The minister's announcement of a new \$400 million, the northern fund into northern Ontario, we will be asking about that money moving into the north. The main thing we will be concentrating on is the money component in terms of that announcement and what that will mean to our mining industry as well.

Just in closing, Mr Minister, as I say, we will be going back to a lot of these as we move through the estimates, we know that Angus Reid has just recently completed a national survey of opinion about the mining industry, and we know that it has shown that the majority of people see the industry in a very negative light. That has come to my attention quite readily, as I mentioned earlier in a particular situation in my riding, and I am going to be asking specific questions of the minister as to how the industry sees itself and how the Minister of Mines will be helping the industry sort of move away from that negative light.

I will encourage him to show what he indicated as being an industrial pillar of this province and how he is going to sell that to the people of the province who have been indicating a fairly negative opinion in terms of this very important industry.

Just in wrapping up, I thank you for your presentation and I look forward to the hours of estimates as we move through them.

The Chair: As previously instructed, we could then recognize the minister, who is in a position to comment briefly on his reaction in response to your opening statements and those of Mr McLean, and then when the minister has completed that, we will take your guidance as to how we will proceed with the various estimates votes.

Hon Mr Pouliot: It does not come as a surprise that my distinguished colleague would be so well prepared and so focused on the current mining agenda in the province, spelling it out almost in a meticulous fashion. That is not uncommon when you come from the northwest. It is certainly expected when you are the critic for the third party, but it had a certain order that I, as Minister of Mines, really welcome. There was almost a philosophy attached to it, not that you could anticipate or guess the questions, but the highlights.

You favoured us with your concern about—Mr McLean did—very current issues. In fact he spelled out—that takes some doing—8.6%, the increase, and I said: "Maybe the gentleman will omit to mention the compounding feature about it. He will not talk about the GST." He did, and we are very much aware that it does in fact. And we will respond in more detail to that legitimate and most timely question, Treaty 9, Nishnawbe-Aski agreement, the impact that it will have on mining.

#### 1630

What it is you said? "Minister, we want a focus. What does it really mean for our industry?" We will endeavour to answer in detail. The list goes on and on, all pertinent questions. Shoal Lake, for those who read the mining

paper, it is the affair of Shoal Lake, because it has been going on, a saga, if you wish, and we thank you for it, Mr Miclash. You do not have to be from Kenora to know about Shoal Lake. It has been well publicized, but I would imagine that you are reminded daily.

You talk about the environmental assessment. We will endeavour again to share some information. You are certainly aware of all the stakeholders involved in the Shoal Lake situation, and we will do it together. You talked about the contribution—both our distinguished critics, rightly so, reminded us—of the kind of dilemma and the importance of mining, more important now because we go with our forte when times are rough. We go with our resources. We are resource-based.

There was a chronology, or if you wish a methodology, attached to it, a style, a method, an approach that is most welcome. It is the kind of subject matter that we at Mines, our team addresses, sometimes redresses on a daily basis. Nothing came as a surprise. Everything deserves full answers. We look forward in our system to a cordial partnership, because we are all heading in the same direction, and there is the opportunity to respond in more detail. Everyone gains when everyone is well informed. We say candidly to both our distinguished critics, and give the commitment that when direct questions are asked, it will not be, it cannot be, it shall not be a question period but a question-and-answer period.

That in itself is quite a departure from form. We are happy at your interest. We appreciate, we take note of the knowledge—no departure from sincerity. It is nice to see another six hours. It will go by so quickly. So much could be done. Could we not arrange, do the statutes allow additional time to be made available when interesting subject matters are being addressed, in our collective acquiescence that we can do things better? Could we not do this?

The Chair: The committee can order up its business any way it sees fit, and your positive suggestions, I am sure, have not fallen on deaf ears.

Hon Mr Pouliot: Okay, good food for thought. Thank you very kindly. This is an initial response.

The Chair: If that completes the minister's response—

Hon Mr Pouliot: We wanted to talk about polling, I understand. What was the name of the organization, was it Gallup? Oh, I thought it was Angus Reid. That is another poll, but we are also aware of the polling regarding mining, the 58%.

The Chair: Minister, forgive me for repeating myself, but if you would complete your basic comments then we will order up the process. Have you completed your comments

**Hon Mr Pouliot:** Yes, in terms of, initially, a very vague response. We will be awaiting the direct questions.

The Chair: I need you a little closer to the microphone to help Hansard. I hear you very well. Thank you.

Mr Daigeler: It is for posterity, you know.

The Chair: If I may now bring the committee's attention to how we will order up our business, we have two votes to complete. In the past we have moved freely through the votes. We have had a time allocation and we have a little—

Clerk of the Committee: We have six hours and 40 minutes left.

The Chair: We have six hours and 40 minutes remaining, but today, if we are to complete by approximately 6 o'clock, we have about an hour and 20 minutes. Would Mr Miclash be prepared to begin with the question and answer? Could I have agreement that you will take, say, half an hour for your first rotation and then we will move to the government party? Are you comfortable with that at the moment?

Mr Daigeler: If you have a member of the third party coming back.

The Chair: There probably will be. I think there have been accommodations in the past for last-minute absences from both the government and from the third party, so I would assume that the committee is prepared to accommodate that when it is for a member as well as for a minister. If that is the case, are you comfortable with a half-hour time slot, or do you wish to go through any form of rotation, and questions can be raised by any member of the committee? Those are the two suggestions.

Mr Hansen: We will go along with the half-hour for the balance of this day's sitting.

The Chair: Very good.

**Mr Miclash:** We were thinking what we would like to do is maybe half an hour today and then the rotation tomorrow. I think it is a little bit more interesting if we go through rotation, for the committee members.

The Chair: There is nothing preventing us from adjourning before six and not taking our full hours. I hasten to advise the committee of that. However, if you would like to do at least a half-hour rotation for the official opposition and a half-hour rotation for the government party, and then revisit this question, I would be pleased to do that.

Let's proceed then.

Mr Miclash: Mr Chair, you indicated that we would be dealing with vote 2901 and vote 2903. We have some particular questions in terms of section 2901 and that is where we would like to begin if that would be in order.

The Chair: Yes, it is.

Mr Miclash: I guess our first question is, we want to ask what percentage of the total Ministry of Northern Development and Mines budget is this amount of \$51,436,257. That was the total expenditure estimate for mines and minerals, and again we are looking at it as a percentage of the total budget.

The Chair: What is helpful is, if additional ministry staff are going to respond, there are two spaces at the foot of this table and I would ask any ministry staff to identify themselves and their position within the ministry and speak directly into the microphone. That would be very helpful.

Mr Smith: I was introduced as the deputy minister, Brock Smith. Now I will introduce Dr John Gammon to my left, who is the assistant deputy minister of the mines division; and to his left is Mr Couse, who is the acting director of the mines and minerals grant. Joining us at the table are Sheila Willis, who is the executive director of the corporate services division; and to her left is Michael Irvine, who is the director of our finance branch.

With respect to questions about numbers and percentages and so on, I think Sheila would be best to take the lead, but we may all have to chip in, depending on what your question is.

**Mr Miclash:** Maybe now that we have the experts at the table, I will repeat my question. The total expenditure estimate for mines and minerals, as I mentioned, was \$51,436,257. My question was, what percentage of the total MNDM budget is this amount?

1640

Mrs Willis: That is 15% of the ministry budget.

Mr Miclash: And what percentage increase does this represent over last year's actual expenditure?

Mr Irvine: That represents a 15% increase over the 1989-90 estimates. The 1989-90 actuals amounted to \$43,961,000. I do not have a specific percentage but it can be computed quickly. It represents about a 6% increase over the actuals of 1989-90.

Mr Miclash: Can I ask how this figure compares to the past three years? What we are looking for here is realdollar expenditure.

Mr Irvine: The \$51 million for this year?

Mr Miclash: Yes.

Mr Smith: Could I interrupt? I am not sure, Mr Miclash, if Mr Irvine would have that figure in his book. Could we undertake to get that figure for tomorrow?

Mr Miclash: Okay. Something else I guess we were looking for is the number of employees that this represents. Sheila, would you have that?

Mrs Willis: There are approximately 400 employees in that division of the ministry.

Mr Miclash: Our next question relates to the increases in the expenditure in communications services, legal services, particularly financial and administrative services and the services section of human resources, pages 16-23.

Hon Mr Pouliot: On a point of order, Mr Chairman: Are those not relevant to Northern Development? Does it not come under a vote, the particular item that you are addressing?

Mrs Willis: That is correct. This vote is usually debated during the estimates of Northern Development. We do, however, serve in the administration division of both sides of the ministry and both ministers, so there will have to be some discussion on whether we are going to address this vote at this time.

Hon Mr Pouliot: This is Mines, Mr Miclash.

Mr Miclash: Yes, I understand that.

The Chair: If I might, we have had in these estimates areas of concern raised about dual ministry responsibilities, and it would be fair to share with the minister that we have

had the willingness of other ministers to freely discuss their relevant ministries in the process of these estimates. We simply suggest that the minister may wish to follow suit, if he feels comfortable doing that. But it would be fair for me to share with him that other ministers have discussed elements of their dual ministry responsibilities because of their interrelationship. I hope that is helpful, but does not obligate the minister.

Hon Mr Pouliot: Well, if the information is available, we certainly have all to gain collectively, so it is a matter of working out the mathematics and you will get it. Give us just whatever time is required to get it forward. We appreciate the question.

Mr Miclash: That is fine.

**The Chair:** Mr Daigeler, you have a question?

Mr Daigeler: Just to complete this, I do not think there are too many figures required here. Basically I think what we are asking is why there are substantive increases. By the way, this is still the ancien régime so you do not even have to worry too much about it. We just would like to know, for the information of the members, why there are these significant increases in the communications, legal services and financial and administrative services branch. Perhaps that is related to the relocation of the ministry?

Hon Mr Pouliot: I do not want to get into this kind of a contest, with respect, but you would have in hand the first two years, instance one and instance two. We have been at it for about six months. I am not suggesting you get those figures off the shredder, but you would have them in hand. They would be part of your former package. All you are interested in is the last year because we have a—

Mr Daigeler: But-

**Hon Mr Pouliot:** You are the one who said it yourself. You talked about the ancien régime. That is your responsibility, not ours.

Mr Daigeler: We would like to know—not the figures, the figures we have. We would like to know why did these figures come about.

The Chair: Minister, do you wish to respond to that? Or the deputy. Could you be helpful?

Mr Smith: Yes, Mr Chairman. Do you want to take it now or do you want it on notice for tomorrow?

Mrs Willis: I can speak to it generally perhaps if that suffices. If not, we can get back with more information.

Mr Smith: Why do you not try it?

Mrs Willis: The increases you are referencing in the administration will relate primarily to the independent services we now incorporate in the division to serve the ministry out of Sudbury. Previously, those services were given to us by the Ministry of Natural Resources and the Ministry of Transportation. We now have them moved over to our side and it represents the majority of the growth you see.

Mr Daigeler: In a way then this is part of the cost of the relocation?

Mrs Willis: It is part of the cost, but I would note that they are transferred dollars and transferred staffing complement rather than additional. Mr Daigeler: So they should be reduced by that amount somewhere else?

Mrs Willis: They are reduced in the in-year estimates in those other two ministries.

**Mr Miclash:** Are we speaking of any new staff expenditures at all in terms of that number?

Mrs Willis: There is, over a period of a couple of years, some growth. Some additional staff has been required as a result of the independents, additional to what came over from the other two ministries. On the year we are talking about, it is a straight transfer, not an addition.

**Mr Miclash:** I would just like to get on to a couple of programs that I had mentioned earlier. I spoke a lot about the economic position of the prospectors and the junior mining and exploration companies. The minister actually touched on the programs in his words to us. What I am looking for, and this is directly to the minister, is whether he anticipates any changes or enrichments to these programs beyond what they are today.

Hon Mr Pouliot: As I mentioned at the outset as part of my initial presentation to the committee, sir, although the revenue side is decreasing or is expected to decrease—the figures are not out yet but we are getting vibes of real significance that it will decrease and it will do so substantially—we have, however, chosen to do quite the opposite in terms of both the Ontario prospectors assistance program and the Ontario mineral incentive program.

I would like to ask Dr Gammon to specifically address what your question is about, Mr Miclash. You will want to know real amounts, how much was spent last year, how much we are spending this year, and where are we spending it under OPAP and OMIP.

**Dr Gammon:** In the year previous to the one currently under discussion, we had a budget of \$1.5 million for the prospectors program and that was increased to a total of \$4 million for the year currently being discussed. That enabled us to give grants to a total of 416 individual prospectors. I have here a map that the members might be interested in seeing. We can certainly pass it around. It shows the geographic distribution of the grants that were given. It is a very impressive development of measles, as it were, across the province, showing a very wide distribution of geographic allocation of those grants.

1650

As the minister mentioned, the program has been extremely well received. The regulations require that a recipient should be qualified. It is clearly not intended to be some sort of quasi-welfare program. The program is intended to be aimed at prospectors who will use the money wisely. The challenge there, of course, is that that does not necessarily imply a formal education. Prospectors can acquire the skill in their craft through having spent many years in the bush actually doing prospecting and developing their art that way. We take that into consideration.

Of the qualified prospectors, as I say, 416 of them got grants. There were a couple of hundred others whose applications, even though they were qualified, arrived too late. It is very gratifying to see that there is still a significant body of

people out there who are interested in doing prospecting and finding the resources for tomorrow.

Mr Miclash: Are you anticipating any enrichments to the programs for the future, Minister?

Hon Mr Pouliot: We constantly are looking for ways to enhance the program. There are two ways, as you are aware, that this can be done. We can take some money from one program and direct it into another program, if you wish. We could look at some programs—not that they are in disfavour, bien au contraire. Most of them are very, very heavily subscribed and why not? There is a waiting list.

In terms of value for money, in terms of a better bang for the taxpayers' dollars, we may wish to enhance, but when this is done inside, inevitably it is done on the back of another program. You can only have it one way. Or we can look at another source of income. In times of limited dollars, of course, there is competition for incentive dollars. Or we can encourage industry to do it.

There are several ways that we can do it, one being inside. Another one, of course, is to tap more money from the Treasury in a competing world. A third, of course, is arrangements; for instance, the Canada-Ontario mineral development agreement, COMDA II, the second phase if you wish, or the continuity of a program shared between the federal government and our provincial responsibility. These are three ways that we can do it. Being innovative and drawing up, not within the lines but being imaginative, a partnership—it could be a three-way partnership with industry, it could be a partnership with municipalities. So there are several ways.

What we are doing is constantly looking at ways without dislocating the system, but looking at ways to enhance. In this case what we have done, if all the revenues are down, we have committed dollars, and Dr Gammon has explained that so well, more money is going into exploration and it is going towards the base.

Mr Miclash: Just following up on that, we talked about the economically distressed areas, and I am just wondering if the minister could explain the criteria that were used in choosing these areas and whether he is responsible for defining that as a stressed area or how those criteria come about.

Hon Mr Pouliot: Well, that is a very insightful question indeed. One certainly would not be chastised for saying: "Me too. I am a victim of a recession." A good case could be made for almost all areas, and it is not an easy choice. We do agonize long and hard because there are many candidates who say: "I want to be considered. I want my OMIP money to go from 30% to 50%." Ours is a decision based on consensus. In fact, you could address all and almost any criteria. Some of them are specifics because, after all, you have to have a location whereby exploration money would be conducive to good mineral order.

You could be, by way of example, a less fortunate area for a time, but if you have no chance of finding mineral, you would not fit the criterion of having an area which is again conducive to finding a mine. You could not turn gravel into copper or gold, so it would be foolish, ill-advised for the taxpayers of Ontario to fund entrepreneurs where there is no chance of finding a mine, because that is the ultimate goal.

There is only again so much money available. You will recall that Elliot Lake was one area that was designated, and it was agreed by everyone when Elliot Lake became a designee that the area was depressed and that you had an existing mine. Still the best way to find a mine—it is not a secret—is beside an existing one because there again you have the ground that is conducive, Elliot Lake, which is represented by our distinguished colleague Mr Brown.

Kirkland Lake was another area that was designated and another friend of ours, Mr Ramsay—

Mr Daigeler: A good friend.

Hon Mr Pouliot: Well, a friend to everybody, of course. Mr Ramsay represented that. It was a depressed area. There are mines there. There are mines in Nakina or in the surrounding area, Atikokan. People need a gentle push, so we have a few dollars available under OMIP and we are saying, "We have got six years to go." To answer your next question, we have six to seven years to go in Manitouwadge. It is a finite resource. It is the major employer. You cannot go across the street. There is no alternative. Mining is Manitouwadge, so maybe we can find another mine for a few dollars more and encourage people.

Your question is insightful by virtue of not only is it value for money in terms of the dollars that are generated, but it is the message, the signal, not only for the designated region but in this case for the north as a whole, saying, "Look, someone is paying attention here." Those are all criteria that are used: location, economic conditions, possibilities, potential, all in all. They are all thrown into the pot and they are subject to change. There is no specific time limitation.

Then there is the matter of adherence. Some of the programs are not subscribed to nearly to the same extent as other programs. Some of the other areas have major, major, huge tracks of lands that are staked already, so you do not wish to duplicate efforts. The major stakeholders, the big players are in there already, so why should the taxpayers of Ontario be asked to fork over, to come up with more dollars when you know that those limited dollars can best be used right beside or somewhere else? So it is quite a mix of criteria that lead to the decision-making.

Mr Curling: Minister, you spoke so eloquently, so passionately about the rocks in the north that, at the time when you were appointed as Minister of Mines, when the Premier separated the ministry, I for one thought that you would have had even more responsibility. But the way you spoke about mines, I said he did the right thing of appointing you as the Minister of Mines. After listening to you today, every rock came to life, you know. Every vein of gold actually glistened as you spoke, sir.

Hon Mr Pouliot: I could do a lot with those comments.

1700

Mr Curling: I can see around the cabinet table, as you define it, some of the challenges that you have in wrestling with the Treasurer for money, getting the fair share of what

mines should have in the north. But just a few moments ago it slipped a little bit when you were talking about some of the challenges you have. There is only so much money and you say that we lost some of the chance for funds from the federal government and all that. I just want to remind you, sir, that at one time when you saw yourself as part of the problem, now you are part of the solution. You are at the table. You are the one who fights for the north. You will continue to have that life that comes to the rock.

Having seen that the previous government had put some money there—and you commend us and commend that government for starting that process; you are quite honourable in saying that all the time—and having this confidence in you that you will get the money that is deserving for mines in the north, when do you see them turn that curve for many of those economically depressed areas as we put the money into them? Do you have a timetable, because you know you are confident of getting the money, when they will turn that curve?

Hon Mr Pouliot: I appreciate the comment. I think with some validity, of an analogy or a parallel. If I were to—and I know you are asking me—if I were to ask you as a member, and you represent an urban centre, when will you meet the demand of housing, given the influx of immigrants coming into an area, given the need to address shelter for the less fortunate.

If you were a minister, in fact if you were the Minister of Housing, I bet you would be hard-pressed and if you were the Minister of Mines you would have to be prophetic. Oh, you could sometimes make an educated guess about the high quote of the Canadian dollar because you export mining product. The higher the Canadian dollar, simply put, the less benefit for the Canadian and the Ontario mining sector.

High interest rates have a lot to do with it. Not only can you not build housing in times of high interest rates, but the friendly banker becomes sometimes unfriendly. These people want to get paid. They are old-fashioned. You have to deposit now and then. You cannot only withdraw, so you beat a path back and forth. It is difficult to answer. There are so many components.

I too, when searching for answers, when looking into that crystal ball, if I get help from one economist I am not too bad, but if I get it from a team of economists I have to go back and back and back again. It seems everyone has a good rationale, good substance to make up their answer. We are getting out of it. We will get out of it.

Mr Curling: When?

Hon Mr Pouliot: Mr Curling, if I knew where the price of gold will be next year, if I was certain about market gyrations, if I could guarantee where the next mine in the province of Ontario will be, if we could bank on the price of oil, you would not only take the challenge out of the exercise, but many of us would naturally find ourselves in other surroundings, not by necessity, some by choice. Others would see it as a necessity. I do not know.

I can give you some general guidelines, but they are guesstimates. You are asking, when are we getting out of the recession? The question is welcome. Your guess is as

good as mine because when we get out of the recession, we will better be able to tell you about our guesstimate regarding the price of commodities, not over which we have jurisdiction but under which we operate.

Mr Curling: Minister-

The Vice-Chair: Excuse me, Mr Curling, you are out of time on this round, as you know.

Mr Curling: On a point of procedure, could I ask the minister if he would just confine his response. We love his talk, but there is a time to talk the talk and there is a time to walk the walk. I just want a point of order. He said that if he could know when. When I was the Minister of Housing and we had a program to put in place, we said precisely that we will put a rent review process at that time. When we had to buy out certain homes for radioactive soil, we said a time and we did it. So the question I ask is not being facetious. I know that he is a powerful individual at that cabinet table and I just was asking him when.

The Vice-Chair: Well, Mr Curling, your time is up—Mr Curling: That is fine. Okay, thank you.

The Vice-Chair: —and that was not really a point of order but we will let it slide. You will have another opportunity. We did ask the previous minister earlier today if she also would shorten her answers a little. Minister, I am only the messenger, but I am conveying to you the concern of the committee that we are very short of time. Even though with this ministry they had eight hours, the time runs out very quickly for all of these members with all of their very interesting and important questions.

**Hon Mr Pouliot:** Yes, I was just following the mood, Madam Chair.

**The Vice-Chair:** I agree too, it is wonderful to listen to you. Mr Hansen is the next person.

Mr Hansen: I am from the south and I have not been involved in mining, so maybe this will be a teaching process. I do not want, as they say, to put you between a rock and a hard place, Minister, but I have heard in the north before that the mining industry has done a lot of development in the sense of roads and railroads. In other words, if the economy of mining is down, the transportation and roads deteriorate in the sense that there is not money there to put in that particular area as one purpose. Could you comment on that at all?

Hon Mr Pouliot: What an interesting question. You are quite right, spontaneously, candidly, off the cuff. You have tied into your question all the components that make a community, especially the remote and the small communities, whose reason for being is mining. I can talk, for example—and why not? It is vivid and it applies to your question.

The community of Manitouwadge, 5,000, nestled in the Canadian Shield. In 1956 mining started, so if you are more than 35 years old, you were not born there. But we are hoping with the advent of mining that if you are more than 65, you can establish roots still and you can live there. You are right. All the infrastructure, all of Manitouwadge, for the air that it breathes, the water that it drinks, takes its source from mining. When they discovered the first mine,

a second one was added. The first one closed and the third one came into being. We were not only fortunate, but we were blessed.

When you address the road system, the road system is there for a purpose. It is either to move commodities or to move goods or to move products. If that reason for being, to put the road in place, no longer exists, of course it will die a natural death. For them there is no need to service the road. There is no need to use the road system as a vehicle for economic survival or development, because the real reason for being has been taken out of the system. So it becomes a non-event.

When you talk about roads you can talk about education, you can talk about health. They are called spinoffs, we are all aware. If you have 500 people that work at a mine site underground and on surface, naturally they will send their children to school. From time to time people will have to visit the local doctor. Certainly that is life in our small communities. The needs are family-based. People are subsidized in those communities for recreation. Every aspect of it is, but the turntable again is that people go to those places, not only because of the climate, in fact, quite the opposite, to better their lot. They go there for economic reasons, to make a few bucks more, to keep the creditors a little happier.

1710

Some of them go for two years, and then they pass for five years, 10, 15, 20 years, and if the mine has more longevity, then they no longer pass. They start establishing roots and they forget about the conditions when they arrived that they took for granted, that they would go along with the ore body and first they would—you can sense that. You would export the minerals and you came from somewhere else. Then your sons and daughters learn, after so many years, and you export them too because you do not have a post-secondary education facility. Once the mine goes or if you retired first, then you would export yourself. That would be the grand finale, close the curtain. You are right. It touches every aspect of government services, the essence of life, and you have said it with your questions, so insightfully, in one nutshell.

Mr Hansen: One other short one here: With these 15 resident geologists, you are talking about a family that you have in Sudbury now. These 15 resident geologists are locally in communities where there is high mining going on. Will they be coming back to Sudbury, will they still be out in the small communities, or are there other plans for them?

**Hon Mr Pouliot:** Thank you. Who better than Dr Gammon, with a doctorate in geology, to address this very timely and pertinent question?

**Dr Gammon:** The 15 resident geologists you are referring to, there is absolutely no plan that they would be affected by the Sudbury location of the ministry. They are there to provide the interface between the division and our clients in the mineral exploration and development industry. Their offices and their positions are where that interface occurs, which is across the province in the strategic areas

where mineral exploration and development and existing mining activity is going on.

**Mr Hansen:** I have just one question. I come from Lincoln. Is there someone down south to look after us for open-pit mines?

Dr Gammon: Yes, we have—

Mr Hansen: You just get an idea that they are not all in the north. We do have some—

**Dr Gammon:** We have one resident geologist located in London, one in Tweed and also one in Dorset. They divide the southern part of the province between them and they are kept extremely active too.

Mr Hansen: I was just looking at the map. There was no indication there.

**Dr Gammon:** That was where prospectors were working and the location of their field projects.

Mr G. Wilson: I must say, Minister, you certainly very eloquently put the conditions of our mines. In your presentation you remind us that we would be stranded without the product of our mines, and you put me in mind of an incident when I used the same example, except I was appearing before city council in Kingston appealing for their support for Bill 208, or at least to make it stronger. I would say that the pens they were using were mined by miners who were in very risky occupations and deserved their support to have safer working conditions. I did not tell them, though, that I could have used personal experience in that I grew up in Timmins, as it happens, and was constantly aware of the number of deaths that struck the parents of my schoolmates.

As well, when you pointed out that you should speak in French as a reminder of the contribution of the francophone community, you could have spoken in many languages because of the contribution of many communities working in our mines.

I grew up in Timmins and in fact went to Laurentian University in Sudbury, so I have some experience of the mining community and what it has done for our province, I was struck by Mr McLean's observation that unless we keep conditions a lot more prosperous up there, the mining companies will leave, and I almost expected him to say "and take their minerals with them." That was one of the things that I remember from my youth, that we did not get a lot of return for the mining that went on there. Although you painted the picture of the community needs that are met through mining, they are not always met in the best ways, as I can tell you again from firsthand experience.

However, I actually did spend some time in a mine too, to find out it is not a very pleasant experience, at least in an ununionized setting, because it was pretty dangerous. The mining inspector who showed up there every once in a while usually left with a few dollars in the kitty because of the fines that he was laying out for practices that did not meet the standard, although that was in Manitoba.

I am struck, though, on page 36 of your report by your suggestion that attracting new people to the mining sector is also one of our objectives. I must say that I think that is a really admirable goal because it is, as you have already said in so much of your report, one of the constituents of

our prosperity and it has to be maintained. But you also go on to say that you are trying to attract special target groups, such as natives, women and young people, so I would like some information on exactly how you are proposing to do that and some idea of what the success of the approach is.

Hon Mr Pouliot: Thank you for sharing with us your experience with not only the mining sector but Timmins. Ironically, we came back at 11:45 last night and spent the last two very full days with Catherine Lengyel, who is our executive assistant, and with Sandy McIntosh and other people in the ministry who brought us to three mine sites. We spent three and a half hours at the giant Kidd Creek Mines in Timmins yesterday.

We also met, ironically, people in the labour movement and they too talked in the same tone as you, Mr Wilson, about the right for people to organize. But, to a person, they were quite proud, along with their sisters and brothers, to belong to a bargaining unit. So that point is certainly well taken. They felt that it would give them certainly good representation in terms of working conditions and, under the tutelage of collective bargaining, a better say, because of the collectivity of the bargaining table.

We certainly do recognize the rights of workers, the need to focus on, to integrate—no, no, never to assimilate—but to integrate our native Canadians, first Canadians and of course first Ontarians, into the economic mainstream of the province. If you have the opportunity, it is an obligation. That is what you do. You develop a vehicle, a mechanism, whereby they too have a chance again to be like the others.

Through education you can give them the tools to defend themselves in society and to cope with society, so if you have a program—you know, we are spending so much money on encouraging prospectors. You can target some groups and say, "We don't have too many prospectors who are natives." But many of the bands are up north. A good many of our first Canadians are up north, so why do we not make a special effort? That is what we are saying.

1720

Women: Joan van Kralingen, who is a professional geologist, is on secondment and works in our ministerial office. She was with the ministry, still is in some form, but she works with us. She came from a graduating class of 31 people, and Joan was one of four women. You know, we are lucky twice; first because of her qualifications, of course, and we are also cognizant that she is a rare commodity.

There is a need to target those groups again and to say mining is not only four-by-fours, not only macho country. So when you talk about natives and you talk about the role of women, we will be targeting those, mainly under the opportunity that is afforded us with the incentive programs for both prospecting and investing.

Ms Haslam: First of all, I wish to say that I am sorry I missed the beginning of the questions because I probably will ask you questions that you may have answered before and I apologize. It is just that I do a lot of research and I have been gleaning over Ontario Mining Today, the Ministry of Northern Development and Mines report. I have

taken your estimates book and gone through the estimates book and I appreciate how you like to answer questions, but I have at least 25 questions that I would like to ask in the next few days. I hope I do not scare you.

Hon Mr Pouliot: On a point of order, Mr Chairman: Will we be able to accommodate this kind of uncommon interest?

Ms Haslam: Those that you will not, I will table.

The Chair: It is worthy of note that it was the government which asked for these estimates.

Hon Mr Pouliot: Yes.

The Chair: In the political rotation of selection it was in fact the government which chose. It was the last one to be chosen, but the last certainly shall be first in terms of government interest. Ms Haslam is aware that she can table all of the questions if she does not have sufficient time, and I am sure the minister and his staff would be pleased to respond in a timely, as always, courteous fashion.

Ms Haslam: Thank you.

The Chair: Do you want to number them and help us?

Ms Haslam: No. It was just a point that I wanted to make, that I do have a lot of questions. I usually do in all of these estimates and I wanted to make that very clear that I do have questions that I have all by myself.

Number one: On page 48 of your estimates, under the statistical data, it says the total number of mining claims and then below that it says, "Mining Claims Staked." It would be about a 40% drop from 1987-88, and then from 1988 to 1989 it is less again. It is about half of what it was in 1987. I ask your indulgence if I do not understand all of these things. Does that mean there has been a decrease in explorations?

Hon Mr Pouliot: Many components make up the exploration. One of them, of course, is the price of metal. For instance, yesterday—do not quote me, I may be a dollar out or so, but not much more—the price of gold closed at \$363. So if you have what is referred to as \$400 gold, in other words, the cost of production vis-à-vis what you can get for the product is not sufficient, this will deter you from going and finding mines because you are not getting a fair return on your investment. It costs you more to get the product out of the ground than you actually get for the product.

That is one very, very important component. You also have the Canadian dollar, which really affects the exploration activity. But the most important component is the law of supply and demand for your product, not on a national level, but internationally, because most of those commodities are tied to one price and one price only, if you wish. In other words, gold is selling at US\$363 in Zurich, in Hong Kong, in Tokyo at all hours of the day and in New York. It is the same price all over the world.

Recession is in this case the major deterrent. People are not exploring because there is less money to do so. Flow-through shares, the federal system has been pulled. No such thing any more, so less money into the pockets of junior mining companies. Less money into the pockets of

major mining companies always results in less money being made available for exploration.

Ms Haslam: Those are viable reasons and I can understand those reasons. Do you see this trend continuing or what do you see as the future in mining explorations?

Hon Mr Pouliot: Thank you for your ongoing concern. We feel that this recession will not be as prolonged nor cut as deep as some people anticipated. There has been a definite, consistent downward trend in one of the major components, which is interest rates. Lower interest rates will result in better consumer confidence, therefore more demand for big-ticket items, and big-ticket items by and large consume a large part of mineral resources, if you wish. Cars, furniture, etc, are conducive to good mineral order.

Ms Haslam: I am sorry-

The Chair: You still have the floor, Ms Haslam.

Ms Haslam: Yes. How many more minutes do I have the floor for, Mr Chair?

The Chair: You have about 12 minutes.

Ms Haslam: Is there anyone else on the list?

The Chair: Mr Hansen would like back on.

Ms Haslam: Okay, I will ask one more question then. I would like to know where you see the potential for growth in the mineral sector.

Hon Mr Pouliot: May I turn one more time to Dr Gammon? Listen very carefully and perhaps hang on every word. It is food for thought now and in the future. Potential for mineral development, Dr Gammon. Will you favour us with what you see the future as in terms of mineral potential?

**Dr Gammon:** There are two main areas where we would hope to see development in the future in the Ontario mineral sector. Those are the areas of industrial minerals and in base metals.

To take the last one first, the base metals traditionally have been the engine of economic growth in the province: the multi-element copper, zinc, nickel deposits. Because of the rather speculative, investment-driven, almost overheated exploration frenzy in the last 10 years, most of that has been directed at gold. Both in Ontario and in the rest of Canada our gold reserves have increased substantially and dramatically as a result of all the discoveries made during that period of time.

However, while those exploration dollars were being directed at gold, we were mining our base metal reserves and the reserves of those metals have been going down. So from a provincial policy point of view and from a national policy point of view, it would be very nice to see Canada's and Ontario's position maintained by seeing an increase in base metal exploration and therefore an increase in base metal reserves. We do as much as we can in the ministry to point the industry's attention towards that and it is happening. We are starting to get some indications of new discoveries in the area of base metals, which is very gratifying.

The other area I mentioned is industrial minerals. By comparison with some of our neighbouring jurisdictions with similar geology to ours, the perception clearly is that

Ontario could do better in the area of industrial minerals. One of the ways we want to help achieve that is to increase the knowledge level and the awareness level of the industrial mineral base and potential in the province, so that people are aware that if a rock does not have shiny, metallic minerals in it that make them think of gold or copper, lead, zinc, it might very well make a very good dimension stone for putting on the outsides of buildings in downtown Toronto, or downtown New York for that matter. There is a range of other industrial minerals also that we would like to see the focus on.

So in answer to your question, Madam, the two areas where we would hope to see growth in the future would be industrial minerals and base metals.

1730

Ms Haslam: The reason I ask that question is on page 10 of the Ministry of Northern Development and Mines Ontario Mining Today report. I found that very interesting. I am wondering how much involvement there was in this particular area and what types of programs there were for minerals. It says, "Minerals with potential for growth." The one that I found was most interesting was clay. How much involvement is there in those programs and what kinds of programs are there? It is fine to say, "Minerals with potential for growth." How does the ministry get involved in that to bring those programs about?

**Dr Gammon:** Thank you very much; now I can see page 10. Industrial minerals in general are not particularly difficult to find. The big challenge of finding a new gold mine or a new copper, lead, zinc or nickel mine is that it is literally looking for the elusive needle in the haystack, and you are not sure it is in the haystack to start with. But with an industrial mineral, it tends to be a fairly large-sized body and to find it is not so much the challenge. The challenge is to take that material and purify it to the extent that it is going to be useful to somebody, and having done that, overcome the challenge of shipping it in bulk from where it is to the market in which it is going to be used.

In general, industrial minerals do not have a very high unit value. The value is in the volume that you can ship and produce. So clays are an example of that. One of the main uses for some types of clays is in paper, as a whitener, as a filler. Clearly you need a very white, pure clay if you are going to do that. I do not know if that answers your question, but those are the kinds of considerations that we have to take into account.

Ms Haslam: I did notice it said, "One company has already expressed an interest in using the Ontario materials, particularly for making made-in-Ontario products for the tourism industry," and tourism is a major area in my riding. It just interests me and I just wanted to know whether there was an ongoing program for finding new clay deposits, and these are potential growth minerals.

**Dr Gammon:** I have now looked at page 10. The thing that you are referring to, there was a particularly interesting program that resulted from the last federal-provincial mineral development agreement. What we were able to do there was show that by using purely indigenous materials found in Ontario you could produce very high-

quality bone china. We actually prepared some sets of that and had it on display in comparison with bone china imported from elsewhere. Our hope was and still is that there would be the potential in areas where those deposits are found to get an industry of that kind going. China always breaks, so there is always a market for it.

Ms Haslam: Sounds good to me. Thank you. I just wanted to know whether that was ongoing and whether those projects were still on.

**Dr Gammon:** Yes, that is still very much a concern of ours.

Ms Haslam: I will stop there for a minute.

Hon Mr Pouliot: Just a supplementary to the question you ask, I have just ended the actual answer. For 1990 exploration expenditures are estimated at \$200 million, which is down 15% from the 1989 level which was \$235 million and that is down 42% from the 1988 level which was \$345 million. Exploration expenditures by junior companies are estimated to account for 28% of total exploration expenditures in Ontario in 1990 compared to 36% in 1989 and approximately 50% in 1987. In terms of claims, 1990 claims in good standing are \$125,000 and that is down a full 16% from 1989 and 27% from 1988.

Ms Haslam: You see it coming back up?

Hon Mr Pouliot: It is our assessment that we are we are closer to bottom. We cannot go down that much more because all the land will become open and there is too much potential out there not to expect a reversal or certainly a stabilization. There is ground that is so conducive; for instance, the Hemlo area, it is not likely to become open to anyone. Those are the Hemlo goldfields and you have areas around Timmins like Kidd Creek. It is just too rich to pass by, so those will stay and we can only go one way. I think it is on the upswing.

Mr Hansen: One question I have is, okay, you have this rock in your hand, this rock you are looking at, that crystal ball. I have tried to find it through the estimates here. It is fine to find gold and find these products, iron ore, whatever the case may be. Is there any research going on so that a product we already have, maybe in mining, could be used in some other area? Is there research and development in that particular area? I looked through here and I could not seem to find anything about that.

Hon Mr Pouliot: While I have less difficulty—it is an ongoing process and I am new at this—with the philosophy of mining, it is quite obvious that I know so little about the kind of technicalities associated with mining, so I will let Dr Gammon give you a technical answer to a technical question.

Dr Gammon: There is a couple of examples there. The Kidd Creek Mine in Timmins discovered in its concentrate that it had an element that it was not previously aware of, and has been able to turn that into an additional revenue generator. That has focused us on to the potential for that kind of thing and we might get Dr. Milne of the Ontario Geological Survey to come up to the podium and tell you just a little bit about the laboratory that the geological survey has, because it has been doing some pathfinding

work in lower-level detection of elements, and in fact has made some discoveries that have had a positive economic spinoff on one of our industries.

**Mr Hansen:** The other thing is, I wanted to know what the dollar figure was in this particular area, the dollar figure in estimates where we are getting into this particular area.

**Dr Milne:** Victor Milne, the director, Ontario Geological Survey: The reference Dr Gammon is making is to some work that has been going on in our geoscience laboratories. In essence, by developing more fine techniques of analysis, our laboratory is capable of determining very low levels of rare earth elements, which are becoming increasingly important in technological applications. You see the market price of things like lanthanum going up in the context of the Gulf war, because of the technology—chips and so forth that have been used.

The specific example I would like to refer to is in the context of bauxite ores, where essentially the element is aluminum, which is extracted. But by being able to detect the presence of these rare earth elements—and the geoscience labs is one of the few that are capable of doing this—we are able to assist the company with the bauxite ores and the aluminum production to determine a method of extracting the rare earth elements, so it could become an economic component of its production.

The technology is advancing in the context of being able to determine these things where we could not before. They are then capable of production in an economic way and they can then be applied in new technology, in new directions. So that that type of work is going on.

The other aspect is in, I suppose, the moving into other market sectors with existing commodities and a considerable amount of that is done by the companies themselves. They are obviously looking for alternatives. If plastic is going to replace metal in the car, then where else can we place that metal? Inco and other companies do that type of research on their own.

Mr Hansen: Coming back to the answers that I just received, I do not know if the question has been asked by Mr McLean to get back tomorrow, but it has to do with the new Mining Act, part IX, coming in where the actual environmental end of it is that, before a mine opens, you have to have a way of closing the mine down. That is going to cost dollars and cents, in a sense up front. At the very beginning, so much will have to be put away, if I am correct.

How are we going to be competitive with the mining industry in other countries like the United States? Is this coming up in the United States also? I know it is very important here in Canada and I think it is coming in the United States because the environmental impact in the end is more costly than doing it from the very beginning. This is what I can see. Could you comment on that?

Hon Mr Pouliot: Certainly. To highlight, before I ask Dr Gammon to really focus, we are talking about the Mining Act and part IX, which deals with reclamation. That is really the Wayne Gretzky of the Mining Act. It is the focus. It is our warhorse and it deals with the environment. It sets up a mechanism.

Interjections.

Hon Mr Pouliot: Allow yourselves the decency to learn something. It sets up the mechanism whereby we will be more favourable to the environment, and to put it one step further, we can all benefit. Dr Gammon has spent hours and hours drafting that kind of regulation. Will it make us more or less competitive? How does it compare with other jurisdictions? What are we doing vis-à-vis others?

**Dr Gammon:** The challenge of course is that mines clearly cannot be allowed to be developed if they are not going to be left in an environmentally favourable way, so what it costs a company is essentially irrelevant. If it makes us uncompetitive because we want to do that, then that would have to be the case. However, luckily it does not make us uncompetitive because other jurisdictions are applying exactly the same kinds of rules that Ontario is. The difference is Ontario is slightly ahead of the pack in terms of having defined those rules, discussed them with the industry and got them in place.

In your opening remarks, you referred specifically to California and Nevada as places where Ontario exploration dollars were in danger of draining away to. The industry has just realized that in those two jurisdictions too, very stringent reclamation requirements and financial assurance requirements are being enforced. Even in Third World countries where the perception is that we could sort of export our pollution to, clearly the prevailing mood is, "No, we also want to have it clean here too," and agencies like the World Bank are ensuring that environmental concerns are taken care of when they give loans.

All of that taken into account means that we will eventually be playing on a level playing field as far as competing for the exploration dollar is concerned. We will have to rely on our superior and exciting geology, the mining legislation we have in place and infrastructure, political stability, that sort of thing to encourage the dollars to come here.

There is a danger because we are slightly ahead of the pack, that we will be perceived to be more onerous in this respect and there could be a negative effect there for a while, but I think we should be confident that this will be a transitory effect.

The Chair: Briefly, Ms Haslam.

Ms Haslam: I would like to move for adjournment, Mr Chair.

The Chair: You could not ask for anything briefer.

Mr Brown: Mr Chair, just on a small point of order, I have not had a public opportunity to welcome the minister to his new portfolio and his new responsibilities. Mr Pouliot and I were fortunate enough to be on the mining committee, setting mining health and safety. I can remember climbing ladders at Geco Mine with him and having all sorts of interesting experiences. I would just like to welcome the minister to his new portfolio.

On that same note I would tell him that I appreciated very much his explanation of investment and how that works, and spending his entire day down at Bill 4 on rent review. I wish you would talk to Mr Cooke. Thank you.

The Chair: Now I would like to recognize the motion for adjournment which is not subject to debate. All in favour? Carried. This committee stands adjourned until 10 o'clock tomorrow in this room to resume these estimates.

The committee adjourned at 1744.

### **ERRATUM**

This page was missing from issue E-3 1991

### CONTENTS

### Wednesday 13 February 1991

Ministry of Community and Social Services			 				 					 				. E	-89
Afternoon sitting			 				 					 				.E-	106
Ministry of Treasury and Economics			 				 					 				.E-	121
Adjournment			 									 				.E-	136

### STANDING COMMITTEE ON ESTIMATES

Chair: Jackson, Cameron (Burlington South PC)
Vice-Chair: Marland, Margaret (Mississauga South PC)
Carr, Gary (Oakville South PC)
Daigeler, Hans (Nepean L)
Hansen, Ron (Lincoln NDP)
Haslam, Karen (Perth NDP)
Lessard, Wayne (Windsor-Walkerville NDP)
McGuinty, Dalton (Ottawa South L)
McLeod, Lyn (Fort William L)
Perruzza, Anthony (Downsview NDP)
Ward, Margery (Don Mills NDP)
Wilson, Gary (Kingston and The Islands NDP)

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### Also taking part:

Cooper, Mike (Kitchener-Wilmot NDP) Elston, Murray J. (Bruce L) Sterling, Norman W. (Carleton PC)

Clerk: Carrozza, Franco

Staff: Campbell, Elaine, Research Officer, Legislative Research Service

### **CONTENTS**

### Wednesday 20 February 1991

Office for Senior Citizens Affairs .												 						 .E	-267
Afteroon sitting												 						 .E	285
Office for Senior Citizens' Affairs				۰														 .E	-285
<b>Ministry of Northern Development</b>	and	Min	es				 ٠											 .E	293
Adjournment																		 .E	312
Erratum												 						 .E	313

### STANDING COMMITTEE ON ESTIMATES

Chair: Jackson, Cameron (Burlington South PC)
Acting Chair: Daigeler, Hans (Nepean L)
Vice-Chair: Marland, Margaret (Mississauga South PC)
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Hansen, Ron (Lincoln NDP)
Haslam, Karen (Perth NDP)
Lessard, Wayne (Windsor-Walkerville NDP)
McGuinty, Dalton (Ottawa South L)
McLeod, Lyn (Fort William L)
Perruzza, Anthony (Downsview NDP)
Ward, Margery (Don Mills NDP)
Wilson, Gary (Kingston and The Islands NDP)

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Curling, Alvin (Scarborough North L) for Ms McLeod
Mahoney, Steven W. (Mississauga West L) for Mr McGuinty
Mathyssen, Irene (Middlesex NDP) for Ms M. Ward
McLean, Allan K. (Simcoe East PC) for Mr Carr
Miclash, Frank (Kenora L) for Mr McGuinty
Ward, Brad (Brantford NDP) for Ms M. Ward

Also taking part: Brown, Michael A. (Algoma-Manitoulin L)

Clerk: Carrozza, Franco

Staff: Campbell, Elaine, Research Officer, Legislative Research Service







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## Legislative Assembly of Ontario

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# Assemblée législative de l'Ontario

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### Journal des débats (Hansard)

Le jeudi 21 février 1991

### Standing committee on estimates

Ministry of Northern Development and Mines

### Comité permanent des budgets des dépenses

Ministère du Développement du Nord et des Mines

Chair: Cameron Jackson Clerk: Franco Carrozza Président : Cameron Jackson Greffier : Franco Carrozza





### **Table of Contents**

Table of Contents for proceedings reported in this issue appears at the back, together with a list of committee members and other members taking part.

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La table des matières des séances rapportées dans ce numéro se trouve à l'arrière de ce fascicule, ainsi qu'une liste des membres du comité et des autres députés ayant participé.

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### LEGISLATIVE ASSEMBLY OF ONTARIO

#### STANDING COMMITTEE ON ESTIMATES

### Thursday 21 February 1991

The committee met at 1007 in room 228.

### MINISTRY OF NORTHERN DEVELOPMENT AND MINES

The Chair: I would like to call to order the standing committee on estimates.

Before us we have completed two hours and 30 minutes of the estimates of the Ministry of Northern Development and Mines, with special emphasis on the Mines portfolio. For this morning, I might recommend that we do 20-minute segments, beginning with the third party and then the official opposition and then the governing party. Is there any discussion? If not, we will proceed.

However, several questions were raised yesterday and staff had indicated their willingness to provide information as soon as possible. May I ask the deputy if you have some of that information now? Do you wish to present that now or perhaps a little later?

Mr Smith: There are two pieces of information, I believe. One came from Mr Miclash's question about a comparison of expenditures over the past three years. Mr Irvine has that information and would be prepared to present it now if the committee wishes. The other piece concerned Mr McLean's request for our submission to the demand-supply hearing. That is a public document. It is being faxed down from our Sudbury office, which is our head office, as you know, and we will have that document for the committee a little later on when it comes in.

Mr McLean: Have you the other questions I asked?

Mr Smith: Oh yes. Those were the documentary pieces I was getting, Michael has the—

Mr Irvine: I have copies of sheets which detail the specific information that was requested yesterday, but I can highlight it very briefly for the members.

Specifically, the request was with respect to the 1990-91 estimates in comparison with the actual expenditures going back three years. The 1990-91 estimates were \$51,394,000 which represents a 17% increase over the actual expenditures of 1989-90, those expenditures being \$43,919,000. The 1990-91 estimates also represent an increase of 14.6% increase over the estimates of the 1988-89 actual expenditures. The 1988-89 actuals were \$38.3 million and the 1987-88 actual expenditures were \$33.3 million.

The Chair: Thank you, Mr Irvine. Deputy, if you have some additional information?

**Mr Smith:** If I could wait until that other document arrives and perhaps table it later with the committee.

The Chair: Thank you. Mr McLean, are you ready to proceed?

Mr McLean: I have some questions with regard to the estimates under the main office. I would like to start off with one of the concerns I have, that the adjustments are at an average of 35%. First, we have the employment benefit adjustments, we have the reallocation of funds to other activities and we have the services. I wonder if you could explain to me the increase.

Mrs Willis: You are talking about the increase in the employee benefits specifically?

Mr McLean: Yes.

Mrs Willis: Okay. Perhaps, Mike, you could better explain the situation.

Mr Irvine: All of the ministries in the government received an increase from the centre for employee benefits related to an adjustment to the amount of funds that were provided from the employer for the public service superannuation funding, an increase of from 7% to 8%. This was applied to all ministries, and the increases in the employee benefits that you see in each of the activities relates to that adjustment. In addition, there is an adjustment for anticipated expenditures under the unfunded liability, which was computed by Treasury, and last, the increases relate to adjustments in salaries related to movement of staff from various different activities.

Mr McLean: "Relocation of funds to other activities." Can you explain what they represent, because they are in all four pages of the estimates?

Mrs Willis: If you are referring to the fourth line, the in-bracket figure, there should be brackets around the 54 showing a decrease of 54%, not an increase. I apologize for that error. That is a reallocation within the division moving the money to the cost centres where the expenditures actually occurred. There was a minor reorganization previous to this and the funds left in the assistant deputy minister's account, once they were clarified, were moved to the appropriate cost centres so they were moved within the division.

**Mr McLean:** On page 48 there is a steady decline on the statistics, and I am wondering if the minister can explain where this decline is coming from.

Hon Mr Pouliot: I did not quite catch the-

Mr McLean: On page 48 of the estimates, the total number of mining claims. The statistics indicate there is quite a drop. Why is that?

**Hon Mr Pouliot:** Yes, it is such a pertinent, paramount question—many, many components.

First, overall economic activity: The now defunct flow-through share component, where money cannot flow directly to, namely, junior companies among others, allows less money to be put into the field. The demand for minerals is not as enhancing, mining is not as lucrative as it was a couple of years ago. That goes from gold, a precious metal, to base metals to industrial minerals. Profits are down, and therefore the portion of the bottom line of profits

that you allocate or forward towards exploration to find other mines is down, and when that is down—before you work a claim you have to stake it. So there is less interest

on the ground by virtue of those reasons.

But some of it is on the upswing. Ironically, what we are seeing is more interest being shown on base metals vis-à-vis precious metals, for instance. You will recall a few years back the good fortune of the Hemlo gold field in northwestern Ontario, where three mines were put into production. That was a focus, a focus not only to find gold, because the price for gold was fairly good, but with the encouragement of Hemlo there was a search for a sediment formation whereby you would not have to necessarily look for the proverbial vein. So people got taken, said: "This is a new way of looking. Have we missed something in the past in terms of our exploration philosophy, our approach to finding gold mines? Maybe if we look for a sediment formation we too can achieve another Hemlo gold field."

But now it is coming back. The price of base metals vis-à-vis gold and precious metals has done fairly well. The price of nickel has done well, except for the last year when it started a downward trend. The price of nickel, the price of zinc, the price of lead have all done fairly well compared to the price of gold. Gold prices were sustained for a longer period of time, so consequently we are seeing a bit of a reversal, so much money for exploration, but not only allocated to precious metals now. The glitter has gone off and people are going to base metals. Nevertheless, you have an overall decrease, a significant decrease, in exploration activities.

Fortunately, given the fact that we have some very prominent mines, the ground around those properties continues to be staked. More grounds have become open, but we can only look to the future with confidence. It can hardly go any lower. We are told that with lower interest rates and with the possibility of a decreasing Canadian dollar in the not too distant future, those are direct elements that the marketplace relates to, and it does so very quickly. It does adjust. So if those components come into play, possibly we will be on the road to recovery. But having said that, this morning I looked at the price of—the opening in London was \$362 for gold, which is very low.

Mr McLean: Mr Chairman, if I am only allowed 20 minutes, I would like most of that time divided up. I do not want the minister making any speeches. Minister, the salaries are up 17%. Why is this?

Ms Haslam: What page is that?

Mr McLean: Page 49. Mr Smith: Michael?

Mr Irvine: The increase in salaries relates to an increase in the number of staff for the claims project under the mining lands program. There is an increase in plan staffing from 79 to 93 people, and it relates to that, plus an increase in salary awards provided by Management Board of Cabinet.

Mr McLean: And the 45% increase in employee benefits?

Mr Irvine: It relates to the same issue I referred to earlier in the adjustment for the public service fund, as

well as the benefits associated with the increases in the salaries for those people for the claims.

Mr McLean: What have you done with regard to pay equity?

Mr Irvine: Pay equity adjustments are provided to the ministry by Management Board. They will not be reflected in these figures, but they will be adjusted in-year with respect to this.

Mr McLean: What services have really been added to have to take care of this increase?

Mr Irvine: Services for the benefits? Well, Treasury and Management Board provided an increase from 7% to 8% for the employer contribution under the public service superannuation fund. It is an adjustment to the benefits act. In addition, there is an increase to the unfunded liability, which is the amount that Treasury and Management Board compute as the actuarial payout required should the fund be called upon. So it is really a reflection of numerical adjustments in relation to that.

Mr McLean: Minister, the number of applications that have been processed—would you be able to supply the committee with those applications and the names and the amount of grants that have been approved?

Mrs Willis: I am sorry, the grants that have been approved under which program?

Mr McLean: The number of applications that have been processed. There should be a list for both 1988-89 and 1990-91. There should be a list showing the applications that have been approved, the company names and the grant amounts. Would you be able to supply the committee with those?

Ms Haslam: A point of clarification: under what program, Mr McLean?

Mr McLean: Under mineral development.

The Chair: Can you comply with the request, please?

Mrs Willis: Yes, we can comply with that request. In so far as we can provide the information as provided under the Freedom of Information and Protection of Privacy Act, we will see that the information is made available.

The Chair: If that is not available by the completion of today's estimates, you can make that available to the clerk, and the clerk will in turn distribute it to members. That would be the preferred procedure.

Mrs Willis: We will do that.

Mr McLean: On page 51, the reallocation of funds to other activities has dropped considerably. Could you explain? What does this represent?

Mr Irvine: The \$51,000? Mr McLean: That is right.

Mr Irvine: That is the transfer of one staff person, I believe, to the mining lands area.

1020

Mr McLean: And would the cost escalation go back to some of your original—

**Mr Irvine:** The cost escalation in each of these activities relates to the adjustment for the direct operating expenditures that Management Board provides. It is inflation, basically.

Mr McLean: Some of your previous answers, on page 53, the employment benefits adjustment, the cost escalation and the reallocation of funds from other activities have all increased considerably. Why? What does this represent?

Mr Irvine: The cost escalation is a larger amount because it is applied to a greater figure in terms of the operating expenditures for the mineral resources activity. The reallocation of funds relates to an increase as per Sheila's remark about the adjustment of funds from the main office activity and the distribution from what had originally been in the assistant deputy minister's area.

Mr McLean: On page 55, the salary and wages are down 68% and services have increased. The explanation says no change. Can you explain that?

Mrs Willis: This has to do with the COMDA, or Canada-Ontario mineral development agreement. In the final year of this agreement, my understanding is that there was less staff activity and the shift to the production of the documents that were developed under the agreement. So there would be an increase in the cost of development and printing production costs of those information documents that flowed from the program.

Mr McLean: Okay. Is the new Canada-Ontario mineral development agreement being negotiated, and if so, what is the status of this?

Hon Mr Pouliot: I will try to broadly summarize my answer, although your questions I find to be so pertinent and interesting that they deserve better than a yes or no answer.

We hope to be able to announce fairly soon—I am not saying in short order, because you, with your expertise over quite a few years, Mr McLean, would be well positioned to understand that negotiations between the present federal government and our government can take a little longer than expected, because you wish to have every line and every paragraph, every issue meticulously addressed before a formal agreement can be reached. But we are progressing and we are entering the final or terminal phase vis-à-vis reaching an agreement which will yield—we are talking big dollars—\$15 million from the provincial government and also \$15 million from the federal government.

Having said this, we have to wait to make an announcement until finalization, because your confrères in Ottawa only too often have, because of constraints, I imagine, and sudden changes in policies—I am not saying short-circuit; I do not want to impute motives to the Progressive Conservative federal members; of course not, far from it—but transfer payments have not been as prominent as they were yesteryear so we cannot take anything for granted, but we are looking forward to signing an agreement fairly soon.

Mr McLean: The provincial government's average expenditure is 11% over each year over the last five years, and I would hope that the transfer payments from the federal government would be in line with inflation, which

they are. They cannot keep up with the spending of the Ontario government.

The ministry operates 15 resident geologists. Where are they located, that is, the offices across the province?

**Dr Gammon:** They are located across the province in Kenora, Red Lake, Sioux Lookout, Atikokan, Thunder Bay, Beardmore, Geraldton, Schreiber, Hemlo, Wawa, Timmins, Sudbury, Cobalt, Dorset, Tweed and London.

The Chair: I think you deserve a little star for that one.

**Interjection:** He did not even look at his notes.

Mr McLean: I am glad the minister let him answer that.

The Chair: He probably knows where his staff is more than he knows where his family is.

Mr McLean: Of the 525 positions that are anticipated, how many will be moving to Sudbury, 50% of them or what, and how many positions will there be in Sudbury when that \$49-million research centre is open?

Hon Mr Pouliot: We are talking 1992. Sheila, will you please—we anticipate that most of the people will have been moved by 1992.

Mrs Willis: When we talk of the relocation, first, the mineral development and mining lands branch of the division has already moved to Sudbury into the head office building and Mr Gammon can can speak of the numbers there. In 1992 the Ontario geological survey branch will be moving from Toronto to Sudbury and that represents approximately 200 positions. We do not know yet which of the staff will choose to relocate. The balance of the division are located in the offices that Dr Gammon just listed and in the regional offices across the provinces and they are not affected by the relocation.

Mr McLean: Just one quick question with regard to the centre. Did it come in under budget or did it cost more money than what they anticipated?

Hon Mr Pouliot: Actually it did. We could not term it an investment in the future. We did come in on time and ironically slightly below budget.

Mr McLean: How much time have I got left, Mr Chairman?

The Chair: About five minutes.

Mr McLean: The Ontario mineral incentive program, OMIP, was designed to assist junior mining companies and individuals carrying out grass-roots exploration and development projects in Ontario. Can you give us a further update on that. There were 174 applications last year. That was 1989-90, How many have there been in 1990-91?

Hon Mr Pouliot: Dr Gammon will attest that it has been significantly increased. It has been a very popular program. People are latching on, especially the grass roots, and in this case junior mining companies are saying: "OMIP, we do not stand alone. The government is behind us." In most cases it provides 30 cents on the dollar. Granted, you have to raise the money to a maximum, Mr McLean, of \$300,000, but what the government has done is it has recognized that some sectors, some regions, are

having a difficult time now and therefore they have upped the contribution from 30% to 50%. It has met with great success.

Mr McLean: That is my next question. What amount are getting the 50% on the applications?

**Dr Gammon:** I am just trying to find those exact figures. I certainly will be able to provide them to Mr McLean. I do not have them immediately in front of me.

Mr McLean: Bill 71: What changes are you going to make in it?

Hon Mr Pouliot: As you know, Bill 71 did get third reading, received royal assent, but in order to give it life we are addressing regulations and our target date is to have those regulations in place by 1 June of this year, Mr McLean. The focus will be of course on part IX, which deals with reclamation, and it will enable the ministry to monitor compliance so that the kind of—well, the word is not too strong, the kind of calamity, if you wish, the kind of catastrophic legacy: Matachewan, ERG in Timmins, the dilemma, the impasse, the problematic of Kam-Kotia.

They will no longer be allowed to happen because we will have put in place a mechanism whereby your plan of attack, your vision of restoration, not only will be closely monitored but some money will have been put aside from the day you start extracting mineral, so that you can restore the land and be favourable to the environment. This is the focus of your question, sir, of Bill 71, the regulations which will again it life, give it teeth—mine reclamation.

It will also make it easier to work the land, to work the claim. In other words, if you go to a recording office and you are a licensed prospector and you stake a claim and as you progress—that is the very beginning—you have to work those claims in order to keep access for mineral rights to that land. What we are saying is that there has been no amendment, there has been some redress of the regulations, but the act itself no longer reflects the conditions of today, and it was an encouragement, because it had not been amended significantly since 1906, for people to, if not bypass the statutes, to think about living in sin, because if you had to work under the act it was not conducive to staying alive too well. So what we are doing is we are addressing this and we are making the Mining Act more representative of the year of Our Lord 1991.

1030

Mr McLean: Thank you right there. Canada-Ontario mineral development agreement: The agreement has run out, has it not? What are you doing about it? Are you going to renew it? What negotiations are going on, if any?

Hon Mr Pouliot: Who better than our family of experts to answer? I can answer this, Mr McLean, but it would not do your question justice. We have people who were part and parcel of every line, every t, every dot in the previous agreement and I would not want to shortchange you, so I am going to ask someone who is familiar, and it is going to be difficult because they are so inclined, they are so interested in—

Mr McLean: I am sure I will have a shorter answer.

Hon Mr Pouliot: Someone, I am sure, is about to make a career-enhancing statement, Mr McLean. I think I will get a cup of coffee. Dr Gammon.

**Dr Gammon:** Briefly, Mr McLean, the previous agreement was clearly very successful in achieving its aims. The client group in the province was very pleased with the results that were attained from it and have been lobbying strenuously both at the provincial level and the federal level for a renewed agreement. We have discussed with our technical counterparts in the federal government what would be appropriate to include in a new agreement.

We have taken that to the client groups, a range of client groups from prospectors through exploration companies to operating mining companies and got their buy-in and their commitment to jointly cost-share some of the programs. So we have the technical part of it put together. What is awaited now is the signing of an URDA, umbrella regional development agreement, of which this would be a component. So our piece of that is all ready to slot in.

Mr McLean: Just one final question to the minister, and I know that he will be short in answering. The Ontario Round Table on Environment and Economy is a committee that is headed by the Honourable Ruth Grier. There are the Minister of Agriculture and Food on it, the Minister of Energy and the Minister of Housing and the Minister of Government Services and the Minister of Natural Resources. I did not think you were demoted that much. I thought the importance of the mining and minerals act—there is a committee on that. I would have thought you would have been on that committee. How come you are not? Did you know there was a committee?

Hon Mr Pouliot: I am very happy to be inside the walls. Do not put me under a state of siege. Our mandate is horizontal; it is not a vertical mandate. Again, we do work as a team from time to time. We tap the resources. We volunteer input for the Ministry of the Environment because of the profile, because people are saying, "Look, you know, things will change." Other times you will find us with the Ministry of Natural Resources. We are certainly not strangers when it comes to the Ministry of Northern Development and Mines and the Ministry of Labour. The list goes on and on. We touch just about every ministry under provincial jurisdiction. We have a horizontal mandate.

I do sit on four different committees, and yes, I look forward to meeting you. One of those is the Board of Internal Economy, Mr McLean, and we are always delighted to meet, to give considerations to our colleagues' requests regarding a whole range of ideas at Internal Economy and also different committees of cabinet.

The Chair: I am fascinated by a horizontal structure. Could I recognize Mr Miclash now for his segment. Please proceed.

Mr Miclash: I would like to get back to vote 2901. I do believe we had decided this is part of administration costs, 2901. There was a problem yesterday, Mr Chair, in determining whether it was Mines and Northern Development or Northern Development and Mines, but I understand now that we have clarified that and this is part of the Ministry of Mines administration costs.

Hon Mr Pouliot: Mr Miclash, we are just trying to locate-

**Mr Miclash:** We are at vote 2901, item 3. We are talking about communications services.

Mrs Willis: Yes.

Mr Miclash: Okay, so we have determined that—

Mrs Willis: If I can just clarify, the costs related to the operation of the office of the Minister of Northern Development are contained in this vote and item. The costs related to the administration of the office of the Minister of Mines are contained in the main office item of the mines vote. The balance of this item relates to the costs of the corporate services division, which services both ministers and both divisions.

Mr Miclash: So what I would like to do, Mr Chair, is just carry on with the questions regarding 2901.

The Chair: Please proceed.

**Mr Miclash:** First of all, let's go back to page 17. We have a change from 1989-90 estimates to a 4% increase, and can I ask the reasons for that percentage increase, please.

Mrs Willis: The primary reason is the 26% increase in employee benefits that Mr Irvine related to you before, the actuarial changes in the calculation of those benefits. You will see that there are reductions in other categories.

Mr Miclash: How many new staff members would that include?

Mrs Willis: There are no new staff in that division in this particular year.

**Mr Miclash:** Okay. So that is 26% strictly employee benefits, no new staff?

Mrs Willis: That is correct. The employees' salaries and wages you will see above, at 9%, but there are no new staff there. That is just changes and adjustments in the annual inflationary awards.

Mr Miclash: Go down to page 19.

Mrs Willis: Yes?

Mr Miclash: I guess what I am looking at here is a percentage increase of 15%, and again the reasons for that increase, under legal services.

Mrs Willis: Okay. The greatest increase you will see is in the salary and benefits category. This has to do with the addition of one new lawyer in expanding to meet our Mines mandate and the implementation of the recommendations of the Weiler report on salaries for the legal profession inside the Ontario service.

Mr Miclash: Okay. So we are talking about one new staff in that case?

Mrs Willis: That is correct.

**Mr Miclash:** On page 21, your financial and administrative services increased to 52%. Could we have the reasons for that, as well, please.

Mrs Willis: The main reason there is that this was the year in which we implemented most of the activities we needed for our independent finance and administration for the relocation to Sudbury. As I mentioned yesterday, a

portion of this is transferred from Natural Resources and Transportation.

Mr Miclash: Thank you very much.

What I would like to move on to now, and we have talked about it before, is the Ontario prospectors assistance program and the Ontario mineral incentive program. I know the minister has touched on both of these programs. What I would like to ask right now is, noting the economic position—I spoke of the economic position of the mining industry in my opening comments—I am just looking for, from the minister, the changes and enrichments that he plans specifically to both of these programs.

Hon Mr Pouliot: I would like Dr Gammon to give you, in order to reach the right perspective, what has been done most recently, how much was spent the previous year, how much was spent last year. This will reflect both the OPAP and OMIP, by Mr McLean, and there have been bold steps forward, as we said yesterday, with less dollars to do it with. Dr Gammon, program enhancement for the benefit of Mr Miclash.

**Dr Gammon:** Yes, Minister. The Ontario prospectors assistance program budget increased from \$1.5 million to \$4 million from 1989-90 to 1990-91, and we were therefore able to accommodate significantly more of the applicants. The the previous year, however, was the first year of the program, so the awareness level of the prospector group out there increased very much as word spread that this useful program was there. We are very pleased to report that it seems to have been successful inasmuch as prospectors getting grants under the program have been making discoveries and optioning them to major companies, and we have currently got documented that about 22 discoveries have been made which have at this stage been optioned by major companies that will be spending significant amounts of dollars on them. That is resulting from that first year.

The OMIP program was also enhanced with an increased budget and this was partly due to the withdrawal from the arena of the federal government. They withdrew their equivalent grant, called the Canadian exploration incentive program, and that had been a flow-through funded related measure, and the previous OMIP program purposefully made not eligible people who would have been eligible for the federal grant, because we certainly did not want to be stacking one on top of the other. With the withdrawal from the arena of the feds, we have changed the rules so that those companies too would be eligible in Ontario, and that was greatly appreciated by the industry.

We are also hearing of successes from the OMIP program. In fact there is one case where a discovery was made by a prospector under the OPAP program. That property was then optioned by a company availing itself of the OMIP program. They have drilled and are discovering base metals in a currently depressed economic area in northeastern Ontario. So this, frankly, is very much the way in which such a program should work and we are very gratified to see those kinds of results.

1040

Hon Mr Pouliot: On the overall, Mr Miclash, simply put, from \$14 million to approximately \$20 million, 1990

to 1991. So you are talking about \$6 million on a relatively small sum, from \$14 million to \$20 million, very significant and heavy subscribing, very popular among the grass roots. That is our target group.

Mr Miclash: Just carrying on in terms of assistance to the industry, I touched yesterday on the idea of the Quebec government being able to offer a 133% tax credit to the exploration project because of its ability to collect its own income tax, and I know that the present government has talked about a similar collection of taxes. Could the minister expand on the discussions on that and the possibilities of that becoming a reality in Ontario, He will know, being from the northwest, that in Ontario we are being outdistanced in terms of the mining industry in northern Quebec and I think this is part of the reason. Could the minister maybe expand on that.

Hon Mr Pouliot: You are quite right. Some Liberal governments are more understanding than others. What Quebec has is its ability to collect its own taxes, which gives it immensely more latitude and it is widespread. It affects almost any program because you are not bound by the terms and conditions of transfer payments. You have more opportunity to decide your own fate and to allocate and reallocate money. There is more flexibility.

We are leaving no stone unturned. I really value your question because if the mining industry is going to prosper, what we have to do is come up with incentives. I certainly do appreciate as much as anyone here, and I am sure we all do, the kinds of programs that have been put in place by the previous administration. They showed imagination and innovation, and what we are doing is using those programs as a base to try within our limitations to come up with, through a tax system, through encouragement—you have mentioned 133% under the flow-through system. Quebec has gone to 166% if my memory serves me correctly, and it was able, by doing this, by providing incentives, to keep the Quebec money in Quebec and, on top of it, it was able to attract money from outside the province of Quebec.

Ontario is still the best place, in our estimation, to do business. Our ground is more conducive to finding mines than pretty well anywhere else in Canada. We are just as well located. We have the Shield. We have the potential. The thing is, you have to make sure that the playing field stays level in order to attract exploration dollars, and the more exploration dollars, of course, the more mines you will find. It goes hand in hand, all other factors being relatively equal, so we have to be more innovative.

I do not have the answer, and I will be honest, to your question. What I can tell you, Mr Miclash, is that we are looking at ways to be more innovative, more imaginative. How can we while being reasonable to the taxpayers? We have a responsibility to revenue. You have to do business, but at the same time, and it is quite tricky, you have to loosen up some dollars to encourage people to come and look for mines in the province of Ontario.

Mr Miclash: Thank you, Minister. I think my question has been answered. Mr Chair, I will move on to Mr Daigeler.

Mr Daigeler: Thank you very much. One of the advantages, I guess, of being on the estimates committee is you learn a lot about all these acronyms. I certainly did not know before about OMIP and OPAP and all these things. There is another one, COMDA, the Canada-Ontario Mineral Development Agreement. I understand that this particular agreement expired last March and I presume you are involved in negotiations with the federal government to renew this; at least, the ancien régime was. Is this another one of the innovative activities that the ancien régime was involved in that you want to build on and develop further, despite the limitations that you expressed a little bit earlier? What are your plans with regard to COMDA?

Hon Mr Pouliot: Suffice that, vis-à-vis l'ancien régime, plus ça change, plus c'est la même chose. In the context of COMDA, we have had COMDA I and we are looking forward again to COMDA II. In the near future we might be able to announce that another agreement à la COMDA I has been struck between the feds and the province. Negotiations are ongoing.

**Mr Daigeler:** And you are satisfied with the progress then in that regard?

Hon Mr Pouliot: Well, given the pace and given due process, given all the loops that you have to jump through, all the criteria that must be adhered to, yes, we are satisfied. We are on target in the negotiation process.

**Mr Daigeler:** And your government is prepared to accept its share, as was done before, of that agreement?

Hon Mr Pouliot: Prepared? I mean, you are looking at soldiers at their posts, sentries. Of course we are prepared. This is why we are negotiating and negotiating the agreement. We are more than prepared to do—not more, but we will certainly do our share. We will show up, we will be there.

**The Chair:** And they are armed with short answers. Mr Miclash.

Mr Miclash: Minister, I sort of touched on taxation in my opening comments and in particular the high level of taxation at the municipal level on the mining companies. You are probably aware that the Ontario Mining Association has recently made representation to the Treasurer regarding the issue of taxation on mining companies. You in particular are on record as saying that you will revise the taxation structure in the mining industry. I am just at this time wondering what those revisions will look like and whether there will be a representation made to the Fair Tax Commission.

Hon Mr Pouliot: I cannot believe this. We have not changed the tax structure. Of course we are committed to our Agenda for People, to the speech from the throne, to establishing—and this will be done—a Fair Tax Commission that will come up with recommendations after having examined all facets of our tax system. When it comes to the effects, the impact, of mining corporations paying taxes at the municipal level, I would like to remind you with respect that the wealth portion, by virtue of an amendment in the Assessment Act—in other words, the ore underground—is not taxable. I would also like to remind you

that the assessment placed on surface facilities—for instance, if you had a paper mill in your town—is minute, pales in comparison.

I do not have to remind you that the sons and daughters of the workers, the whole family takes advantage of the school board and they have a responsibility to enhance the contribution. They take advantage of the fascinating world of sewer and water. Every service, the general purpose, education, recreation, health, is there by virtue of the large employer, so if you are going to share and share alike, why do you not pay and pay alike? In fact, mining is getting a break, sir.

#### 1050

To illustrate, the township of Manitouwadge allows the mines equal division assessment—and I know because for 10 years I was with the town council—of \$5.9 million. You go 65 miles away and they have a paper mill which over the years has been far less lucrative, and the assessment on that paper mill was far more. Consequently, taxpayers at the residential level in Manitouwadge were paying 65% of the overall tax, school board and general purpose, while their brothers and sisters in Marathon had a reverse situation. The paper mill was picking up 70%.

Hemlo comes to be. New subdivisions had to be built, new sewer and water, a burden was placed on both Manitouwadge and Marathon. The digestive problems became enormous. Someone had to carry the guilt, pay the bill. The paper company was under a state of siege.

Mr Miclash: Mr Chairman, I believe the question has been answered.

Hon Mr Pouliot: We said to Hemlo, "Why don't you pay your fair share?" And your government, after a lot of pressure year after year—and I know when I was there your government is the one that passed all the legislation taxing those companies, not our government. We are just following the mood.

The Chair: You are just starting.

Mr Miclash: I am glad the minister brought up the Agenda for People and I do hope that he is paying particular attention to various things that were being stated in the Agenda for People. We noticed already on many different occasions that the Agenda for People was not necessarily an agenda for people but was an agenda for the government to be elected and that many of the statements in that agenda have not yet been followed. So again, I am reassured by the minister, as a northerner and as the Minister of Mines, that he is going to be paying particular attention to that particular agenda. I would like to move on to Mr Sola, please.

Mr Sola: Thank you. I have a question. In preparing for this committee I read through the Engineering and Mining Journal. There is an article on Australia there and one paragraph in particular caught my eye, which states that: "Australian industry is plagued with overcharging for services which are provided mainly by governments. The only genuine monopolies in Australia are governmentowned operations such as rail, power supply, water supply, ports and telecommunications, and they are characterized

by overmanning, restrictive work practices, poor service quality, cross-subsidization and overcharging."

This almost sounds like they are quoting from a Canadian or Ontario source. How would Ontario compare in this regard to Australia?

Hon Mr Pouliot: This ministry has not presented a new opportunity for travel, but we have people around in our team who are very familiar with the Australian situation. Would one wish to comment?

**The Chair:** Anyone want to?

**Dr Gammon:** Could I ask you to clarify the opening account of that? That was referring to state-run institutions in Australia, was it not?

Mr Sola: No, the Australian mining industry was complaining about the fact it is overcharged for services, particularly with respect to services provided by government monopolies, and I am wondering if that is the same complaint here in Ontario.

**Dr Gammon:** I guess it would be fair to say that certainly one does hear complaints on occasion, about hydro rates for example, but it is not just from the mining industry that one hears that. I do not think that the issue has reached such a proportion in Canada as it apparently seems to have done in Australia.

Mr Sola: Okay. That was one of the things I was getting at, because in that article they were complaining about the lack of competitiveness of the Australian industry due to several factors and this was one of the factors that they pointed out. So I would suspect from what you are saying that our industry is much more competitive on the world market than they are.

**Dr Gammon:** That clearly is very important, but mining is a global business. The exploration dollar can go anywhere. It can come to Ontario, but it can also go to Zimbabwe or Papua New Guinea just as easily; it is not just other jurisdictions within Canada we have to look at. Also, at the other end of it, the product is sold into a global market and you cannot increase prices to your customers, because the price is fixed by international commodity markets, so at both ends of the spectrum it is controlled by the global economy.

Ontario has to fit itself within that environment, and in order to maintain our competitiveness, we are very lucky, as the minister mentioned, in being extremely well endowed with geology. The geology is the best in the world, frankly, in Ontario and that is illustrated by the elephantized discoveries that we have had over the years here: Kidd Creek at Timmins, the nickel deposits in Sudbury, uranium in its day at Elliot Lake, Hemlo of course in the gold. The track record is fantastic.

What the government can do is provide the right legislative framework, which we are addressing with the revising of the Mining Act, an indication that the government is receptive to mining. Things like the Ontario prospectors assistance program and and the Ontario mineral incentive program indicate: "Yes, indeed, we want you. Come here."

The other aspects of course are political stability compared with Third World areas, which we clearly have; taxation; environmental costs. These things are all taken into

consideration, but it is the overall mix and balance of things in that equation. We of course monitor all the time to ensure that Ontario is staying ahead of the pack and we are quite pleased to report that at this point in time, we are.

The Chair: Thank you. Perhaps in the next round we can build on those good points. Ms Haslam.

Ms Haslam: I must admit that Mr McLean took at least five of my questions and that leaves me with—

Mr McLean: They must have been good ones.

Ms Haslam: Yes, they must have been.

The Chair: Just think, that is three quarters of an hour you have saved.

Ms Haslam: That is true. I do want to thank you, Mr McLean. I do have some questions and I would like to maybe build on what some of the other questions were.

In the relocation-to-Sudbury information, we were talking about 200 positions by 1992 and a lot of this will be taking place over the next few years. I wanted to know, though, will the relocation improve the service you provide to the client groups in that area?

**Hon Mr Pouliot:** Mrs Willis, will you bring the right perspective to our relocation program? Mr Smith?

Mrs Willis: In terms of service to our client base, we are a ministry that is well spread out across northern Ontario, and for the purposes of the mining division in southern Ontario, I believe that our relocation to Sudbury will in fact make us more sensitive to the concerns of the north and the industry.

Ms Haslam: You touched briefly on how it was being handled with the least disruption to staff. Will it call for an increase in local jobs, do you feel?

Mrs Willis: We have in fact been able to hire over 50% of the corporate services division from the Sudbury labour pool. Another 25% of the group is from elsewhere in the north or returning northerners, so I think it has in fact reached that objective.

Ms Haslam: Okay.

Mr Smith: Just so you may understand, our move to Sudbury is in two parts. The head office part has been completed, and all of us here, with the exception of the regional field staff from Kenora and Timmins, are centred in Sudbury and live there. Part two is the Ontario Geological Survey, which is slated to move in 1992. I just wanted to clear that up.

To get back to your point about customer service, some of you may be familiar with the fact that there are quite a few geologists and prospectors who live right here in the city of Toronto and they, over the last 50 years or so, have been used to receiving the facilities of the ministry right here in downtown Toronto. When the annoucement of the move to Sudbury was first made, there was significant concern in that community. People do forget that Toronto itself is a mining city in many respects. Dr Gammon and others have been working now over a year with the prospectors and developers association to work out a system so that prospectors who are based in Toronto will still be able to receive good customer service.

Ms Haslam: On pages 28 and 29 of Ontario Mining Today, Ministry of Northern Development and Mines, it mentions a review of Ontario's industrial minerals industry and I wondered, what is the result of that review?

Dr Gammon: Briefly, in response to the recommendations that were made in that report, we have taken the following actions. An industrial minerals advisory committee to the ministry is in the process of formation. An individual whose work will focus on industrial minerals is being added to the ministry staff. We are developing information packages to distribute to foreign-based trade offices explaining Ontario's industrial mineral potential and a major thrust in international marketing of our building stone. We had a very, very well received exhibit at an international fair in Verona, which is the centre of the dimension stone industry, and it raised awareness significantly about Ontario's potential.

1100

One of the things I neglected to mention under question about the OMIP program was—I think I mentioned in response to you yesterday that finding an industrial mineral is not the challenge. The challenge is beneficiating it to a purity and marketing it. So under OMIP we allow exploration expenditures but for industrial minerals only. We also allow marketing studies and beneficiation studies to qualify for a grant. This is specifically aimed at the industrial minerals program and was in response to that report.

We have undertaken and are publishing a survey of research and development facilities in Ontario for the attention of that industry and we are developing a guide to establishing a building stone quarry in Ontario. This will be a handbook to the industry in getting the necessary approvals from our ministry and others to get up and running.

Those are the main points that we have taken in reaction to the report which you mentioned.

Ms Haslam: Thank you.

The Chair: Mr Hansen would like some time as well and he is the only other one I have at the moment, but please proceed.

Ms Haslam: Thank you. On page 26 of the same book, it talks about the new mining legislation for Ontario and you have talked about it a bit today. I wanted to know, has there been some opposition to some of the regulations and proposed fee structures?

Hon Mr Pouliot: Inevitably, when you enter a consultation process as wide-ranging as our ministry did, then you are quite right. This is what makes it so challenging and interesting, because you are committed, you are dedicated to listening to everyone's point of view, and from that strength, from those opinions, you begin to draft. Then you go back to all stakeholders, all parties, everyone who has an interest, a contribution to make, and again you go back and redraft, with opposition, and on and on, and then you begin to understand that you must try a balance where you have the responsibility to legislate for everyone. No winners and losers; win-win situation.

However, there will be some people and some of them—and why not—may approach a recommendation that they made with a certain bias and prejudice because, on account, by virtue of their being very well informed about their own field of endeavour. That is normal. That is a good reaction. So we take all that information, we appropriate it to different levels, to different articles of the Mining Act, and then out of that extensive process of consultation emerges the Mining Act and regulations.

So there has been some disagreement, but not all that major. What struck us is that people came up and said it had to be changed. There were some complaints, but more important, 90% of the time was finding the right alternative

to address and to meet today's needs.

Ms Haslam: I will yield to my friend. I have a couple more.

Mr Hansen: My question is actually around Elliot Lake, Minister. My grandparents emigrated from Finland, so they settled in the north and my family on my mother's side has been associated with either the Ministry of Natural Resources or Mines, so my family goes back in that area quite a bit.

The one question is that we are purchasing, as it is right now, uranium from Saskatchewan; I believe we have contracts there. What is happening with Elliot Lake in future purchases for Ontario Hydro? Are we going to buy in Ontario or are we going to starve out Elliot Lake? I would just like a response on that particular area.

Hon Mr Pouliot: Those words are very strong.

**Mr Hansen:** I guess they are.

**Hon Mr Pouliot:** Mr Smith, shed some light for our collective benefit regarding the situation at Elliot Lake as it now stands.

Mr Smith: As you know, that is the responsibility of the Minister of Energy, to liaise with Hydro with respect to the uranium purchases, but the member is quite right that currently 75% of Hydro's uranium needs are being met from Elliot Lake under two contracts, one with Denison Mines and one with Rio Algom. Those contracts were signed quite a while ago and they are now reaching the stage where they can be reviewed by Ontario Hydro with respect to what it wants to do in the future, and the Hydro staff and board are in the process of reviewing the contracts at the moment. They have not completed their review as yet.

While they are doing that, of course, they have to take into account what has become quite a steep price differential between the amount in the contracts which we are receiving from Elliot Lake and the world price of uranium. Off the top of my head, it is something like four to one, world price being around \$10 a pound and the cost of producing uranium in Elliot Lake being \$40-plus per pound. When Hydro takes a look at this in the long term, given the high volume of uranium it purchases it sees quite a cost differential. None the less, obviously that consideration has to be balanced against the social and economic implications of reduced uranium purchases in Elliot Lake.

Last year, there were some very significant layoffs at Rio Algom. In fact, they closed two of the three mines they run, the Quirke and the Panel mines were actually closed, and Denison also phased down some of its production. All in all, about 2,000-plus jobs have already been lost in Elliot

Lake. It is important to note that all of that related to international contracts these companies had that had expired and could not be renewed because of the cost. None of those layoffs related to anything that Ontario Hydro has done. That is the situation at the moment, an extremely serious one, an extremely difficult one. As I say, Hydro is reviewing.

Mr Hansen: I was in Sault Ste Marie last week with my friend Tony Martin. It has to do with mines also, Minister, that garbage—and I read it in this on page 5, of garbage being sent to the north to be recycled and put in abandoned mines; I believe Kirkland Lake is one area. As a minister, you seem to be getting involved in other areas: you had a resource taking it out of the ground and now it looks like a resource going back in the ground. Could you comment on that, or one of your deputies?

Hon Mr Pouliot: I am quite pleased to initiate the response on the subject matter that is very close to us. It is in the news almost every day. We are most aware that our government is intent on creating an economic climate whereby to achieve economic prosperity you will not have to export garbage in the north. This is not the way to operate.

When people talk about garbage, I think the first word that comes to mind with our administration is recycling. You have a problem; you also have the necessity, if you are to move garbage from one location to another, to arrive at an agreement. There are all kinds of players. First you have to strike an agreement between the people who wish to get rid of it and then you find a buyer, a recipient, if you wish. But it is not that simple. As you go along in this endeavour, you have to transport from point A to point B, and therefore cross many municipalities, regions that are under different jurisdictions.

1110

You may go from our first Canadians on a reserve, or an area which is being considered by native Canadians as a future land base, where a land claim is either imminent or being considered; then you go to an improved district and an organized community; local services board; fully fledged municipality; the city—all those people are players in the movement of a commodity from point A to point B, be it chemical products by rail, be it garbage, be it recycled products, because you would have to go back and forth. Unless you have an agreement, unless all the people who risk being affected are part and parcel of the negotiations, then you simply have no agreement.

At present the problem is with large metropolitan areas, and there is a potential risk. There is also the cost of many components, the cost of transportation, the cost of recycling, so I am not aware of any deal being struck in order to move garbage from southern Ontario to any other part of Ontario.

Mr Hansen: We use the term "garbage" but we can take it as a resource on the recycling in the north. This is what I was getting at, a recycling plant and spin-offs from the recycling. The one thing I would not like to see happen is that recycling would stop and become more of a resource in that area—you need the whole garbage can up north.

Hon Mr Pouliot: I am sure you will avail yourself of the opportunity—the point is so well taken. Our Ministry of the Environment has a lot of very interesting, fascinating information regarding that most important subject matter. In fact, they have prepared papers regarding it, because they recognize that it is a problem. Of course, our role at Mines is so humble. Our focus is to develop and open mines, and of course, to make sure that when that last rock is taken out of the ground we can do some rehabilitation. This has been a focus. Not that we are apologists. We are very cognizant of what other ministries are doing, but this is a question that must be directed, for it is so important, so timely, to the Ministry of the Environment.

The Chair: Mr Wilson. You have a minute and a half. Take your time.

Mr G. Wilson: It has to do with another problem that might be seen in the garbage area, and that is the issue of tailings. I understand there is a problem in the Matachewan area. Is there a lot of research going on on what can be done with the tailings that are lying around in northern Ontario?

Hon Mr Pouliot: When we are talking about tailings, we have to classify them, to block them. You have tailings resulting from a now-abandoned mine, a mine that was once in operation and is no longer in operation. Those come under the heading of abandoned mines. There are some 3,000 of them across Ontario. You have mentioned Matachewan. Of the 3,000 abandoned mines—no longer producing, of course, defunct—you may have maybe 50 to 60 that offer the potential of Matachewan.

What we are doing is finding out where they are. What about the 3,000 mines? What potential for disaster, or for safety and health, do they offer? Once you have this database; once you know where they are; once you find out who owns them—but sometimes it is tales of Houdini when you chase owners. Sometimes you find the owners, most times you do not, especially with a small operation, for they date back many years. If you find the owners, they have no money to redress the tailings situation so the tax-payers of Ontario are left holding the bag.

But that is past performance, and we want to address this, because we have a collective responsibility, and we focus our energy, our attention on addressing the potential disaster, the past performance, as opposed to spending all our time or most of it asking who is going to pay for it.

Part IX of the new Mining Act—we are still talking about tailings—will make that situation past history, because this is exactly the highlight, this is our war horse, in the new Mining Act. We are focusing directly on tailings. So when you start producing, you put a few cents for every tonne you take out of the ground, you put a few cents aside so that we will not have to worry about those 3,000 defunct mines, redressing a situation that should have been monitored all along.

The question is, again, of a high degree of prominence, and you focused on it. You are to be commended. This is exactly what the Mining Act is doing, addressing the past, using that experience, and focusing on the future.

Mr Miclash: Do you remember what the question was?

The Chair: I wanted to say that about Mr Hansen's questions. If we could now move to Mr Miclash.

Mr Miclash: I thought we were going to Mr McLean first.

The Chair: No, still in rotation, you take 20 minutes. We still need to—

Mr McLean: I thought I was next in rotation.

Mr McLean: That is what I thought as well.

Mr McLean: I would like to ask some questions of this minister. I am getting serious now.

Mr Miclash: I believe Mr McLean was next in rotation, was he not?

The Chair: No. That has not been agreed to through the Chair. If you wish to yield to Mr McLean—we have just finished the governing party.

**Ms Haslam:** On a point of clarification, Mr Chair: Did we not start with Mr McLean?

Mr Miclash: Yes, we did.

Ms Haslam: So we started with Mr McLean, then we went to the opposition and then we went to the government party, so what we are saying is that if you are following the rotation, Mr Jackson, Mr McLean is next in the rotation, and he will get you later if you do not let him use it.

The Chair: Thank you. It is my fault, and thank you for correcting me. Mr McLean, please proceed.

**Mr McLean:** Minister, on page 11, admin services, a 52% increase. The total program for administration is up 29%. I just find this unacceptable. What are you going to do about it?

Mr Daigeler: Short answer.

Mrs Willis: I will address that, Minister. The costs relate to the relocation of the ministry to Sudbury, the in-year cost of some of the actual relocation activities and, as I mentioned earlier, the dollars that were transferred from the Ministry of Natural Resources and the Ministry of Transportation to us for our independent financial and administrative services. It is a one-year blip, and I am sure it is not a pattern that will continue.

Mr McLean: Okay. On page 19 then, a 15% increase in activity services. You indicate that you hired another full-time lawyer. With the economy the way it is, last year, and with regard to the amount of applications being down, and the amount of services going on within the ministry, why would you hire another lawyer?

Mrs Willis: I said it was one additional staff. In fact, it was a clerk; it was not a lawyer. The other costs are for the escalations through the Weiler report award, which was across the government and universal.

**Mr McLean:** There is a total increase of 15% in legal services, services up 38%. I suppose you are going to account that part of the transfer of the offices too.

Mr Irvine: The services budget for the ministry relates to the salaries for all of the lawyers in the legal services branch. As with the case with all ministries, the Attorney General is responsible for the salary allocation for the legal services people, and we are journalled out of the services account for that, so that accounts for the boost there, which is the \$50,000 adjustment.

Mr McLean: So you are paying for services through the legal branch.

Mrs Willis: That is correct. In the first line of that page the amount we have in the budget for salaries and wages is approximately \$40,000 in previous years. It is a deduction in the in-year to zero. The salaries for the lawyers and the clerical staff are actually a recoverable item through the Ministry of the Attorney General, and we pay for that through the services line, where you will see the increase to 375 from 102.

### 1120

Mr McLean: These questions I know have been asked before by my colleague behind me, but on page 21, benefits 38%, the total activity for the ministry up 52%. This is unacceptable today. What are you going to do to rectify that problem? You have your hands full here, Minister.

Hon Mr Pouliot: It is quite a challenge to address it. I always readily acquiesce when someone is concerned about the figures, as concerned as you are about getting value for money. Being the guardian of the taxpayers, we have to respond. Many of those costs are—I know you have heard it before, but we are not coming back to Toronto from Sudbury—are associated with the movement from Toronto, the relocation. You will notice that we have not built an empire. We have been spartan. We have been frugal. There are only so many dollars that are available, we are quite cognizant, and this is reflected in no change in staff. I know that you appreciate that, better perhaps than most people.

Mr McLean: Look on page 23 and it says salary awards, 22.7% increase. Why?

Mrs Willis: That is \$22,700.

Mr McLean: But go up to line 2 and employee benefits is 22%.

Mrs Willis: That is correct. As Mr Irvine has pointed out, that has to do with the adjustments in the pensions benefits portfolio of the government. It is \$22,700 in the human resources branch which represents the in-year award for merit increases and cost-of-living allowance and other awards that were made for approximately 18 staff, \$22,700 for approximately 18 staff,

If I could go back to the finance and administrative services, I would like to clarify that the increase of 52% is largely attributable to the cost of relocation, which is a multi-year project costing in the current year approximately \$6 million. It will be reduced over a period of time, increase again during the OGS move and then disappear from our item.

Mr McLean: Minister, in the public accounts book, with regard to travel expenditures—I am not sure whether it is for Northern Development or whether it is Mines because it is not really divided—you have an M. Barker with a \$30,555 expenditure for travel expenses; you have a B. T. Kite \$33,000 expenditure—over that—you have a

C. McDonald at \$29,000, a McIntosh at \$28,000, Sorensen at \$40,000 with an expenditure for travel. Who in your ministry can give me an update of whether those are for Mines or Northern Development? Does any of your staff know?

Mrs Willis: I can. M. Barker is the regional director at Sault Ste Marie for Northern Development, transportation division. He travels considerably in the course of his duties across northern Ontario. B. Kite is an employee of the Mines division. The large amount there would be attributable to his relocation costs for the move to Sudbury. Mr McIntosh is with us here today. He is an employee of the Mines division. He is the regional director in Timmins. Ernie Sorensen is the general manager of the Northern Ontario Heritage Corp. I think that was the list.

**Mr McLean:** I picked them out pretty good, did I not? **Mrs Willis:** Yes, you did.

Mr McLean: I did not know which ministry any of them were attached to. How do they mainly travel? Do they have their own private jet?

Mrs Willis: No. There are days I wish I did. No, they travel by commercial, either ground transportation or air, depending on the departure times and the locations they are going to.

Mr McLean: Perhaps somebody can explain to me then, with regard to transfers, and we were looking at some of the transfers within the estimates, where \$11,193,000 was transferred into Natural Resources, and to Transportation \$112 million. What does that consist of?

Mrs Willis: The \$112,000 million would be the money going from our budget to the Ministry of Transportation for undertaking the construction program of the capital roads program in northern Ontario. The \$11 million to Natural Resources—would it be the access roads?

Mr Irvine: That would also be for the winter roads project and resource roads that they construct for us.

**Mr McLean:** Would FedNor have anything to do with any grants into that?

Mrs Willis: No. FedNor is a federal program totally funded inside the federal circle.

**Mr McLean:** Are the transfers to the towns and villages, Kenora and Hearst and Hornepayne and all those, for highways or what?

Mrs Willis: In some cases they might be for municipal roads, but they would be a variety of grants under the Northern Development portfolio for economic and social projects being undertaken by the municipalities.

Mr McLean: Does the Ontario Northland Transportation Commission come under the Ministry of Mines?

Mrs Willis: No, it comes under the Minister of Northern Development.

Mr McLean: Why would there be funds going to the Sioux Lookout Family Centre from the ministry? Would that be under the Ministry of Northern Development?

Mrs Willis: It would be under the Minister of Northern Development and a grant for an activity there under one of the programs of that ministry. Mr McLean: It would be nice if it could have been shown what was for Ministry of Mines and what was for Ministry of Northern Development, but it is up to the Public Accounts to do that.

Mrs Willis: That is right. We follow the standard format that is prescribed by the Public Accounts.

Mr McLean: I noticed the Minister of Northern Development and Mines had a \$48,500 airplane tab, and I hope that you, Minister, will take into consideration the restraint that you have always shown in the past and will not use the Lear jet too often.

I have another question-

The Chair: That was a question to the minister. Minister?

Hon Mr Pouliot: Yes. Thank you very kindly. When you mention the Public Accounts, you know—I can see it so vividly, as if it were the same session, where our mandate was simply the taxpayers of Ontario getting value for money. I used to be especially—well, what is today? Thursday was my day to be appalled and shocked. Every Thursday at public accounts, I was really appalled and shocked. I became like the guardian of the public purse and I looked at it as a challenge. I looked for Lear jets and I was unable to find any.

But on the subject matter of transportation, we make sure—

Mr Daigeler: Did you find a Volkswagen?

Hon Mr Pouliot: A Volkswagen? No, I did not.

We make sure that every dollar is accounted for, and you are right when you said that I have earned a reputation for being tough with the dollar. I come from a very humble background, so I know the need to be very, very careful, especially with taxpayers' money, all those men, all those women that have to work so hard year after year, putting more into the system than they ever dream of taking out. We have an obligation to make sure to the last penny that every dollar is—and I am not going too far—spent meticulously for the exact precise reason for which it is intended. May that be a philosophy for the Ministry of Mines. We intend to carry it. It has been and it will continue to be so.

Mr McLean: And you will apply that to An Agenda for People, will you?

Hon Mr Pouliot: Yes, there is a human dimension to it, of course.

Mr McLean: Thank you. I am pleased to have that little story, because I guess I am from a poor family too. I was so poor I remember having to go to the barn for a turnip to get filled up. We grew turnips where I lived. Anyhow, Minister—

Hon Mr Pouliot: We did not even have a barn, Mr McLean.

Ms Haslam: At least he had turnips.

Mr McLean: That is right.

Hon Mr Pouliot: Mr McLean, you are so right. Operating as we do from the bottom of the heart, there is nothing at all that we cannot reconcile our position with the bottom line.

1130

Mr McLean: I have another question that has to do with electric rates with regard to the north and the Ministry of Mines and people who are staking claims in areas that are a long distance from where the hydro is. Ontario Hydro, they claim, is inflexible in contract negotiations with regard to producing the hydro and getting it to the mines. What are you doing about that, if anything?

Hon Mr Pouliot: The subject of Ontario Hydro—you are so right, that if you operate a mine, you need a lot of power, you need a lot of hydro. Hydro has a mandate to promote mining. It also has a mandate to produce electricity at cost. But we are asking Ontario Hydro and it has complied, and the previous administration can attest to that, that you can make a deal whereby in times of peak power, when you could be impacted, you could be affected, as part of the deal, if you agree to put your operation perhaps in jeopardy in rare times where it is undercapacitated, Hydro will give you a substantial saving on the overall rates. But it is a chance that you have to take. We are very much aware of the prices that are being paid for that essential service.

One of the problems that Ontario faces is it needs ongoing, massive revenues in order to develop its capacity. Ontario Hydro can go to the option of nuclear power. It can go to renewable resources or it can simply buy and install new transmission lines from the sister provinces of Manitoba and Quebec. Those are pretty well the options that Ontario has. Our government has a philosophy regarding power being made available. We believe that, if at all possible, you must tap all renewable resources before you consider any other option.

Mr Brown: I am most pleased to be able to be here. I have just escaped rent review for a few minutes, so you will understand that it is a pleasure to be here with the minister. I want to ask a few questions of the minister with regard to Elliot Lake, which is in my constituency. Minister, you are more than aware that we have had two major mines close in Elliot Lake, that layoffs have taken place at one of the other major mining concerns in Elliot Lake and that we have experienced somewhere around 2,500 positions being eliminated at mines in Elliot Lake.

My question relates to a number of things. First is the government's position with regard to Ontario Hydro and the purchases of uranium from Elliot Lake. Your government's position has been a little bit unclear and it would be most helpful to my constituents to know if the government intends to buy 100% of the uranium required by Ontario Hydro from Elliot Lake. As you know, Minister, contracts with Denison Mines in Elliot Lake are of the utmost concern at this time to my constituents. It would be very helpful to the community to know what the government's attitude is towards that question.

Hon Mr Pouliot: For a number of years, Ontario Hydro has contracted its major requirement to the community of Elliot Lake. Rio Algom and Denison Mines were the major employers. Denison, more so than Rio Algom, is underprivileged by virtue of low grade and also because of its

very infrastructure whereby you have to mine a tremendous amount, high volume, in order to satisfy those basic costs.

Not a little-known fact, but a fact that is often forgotten in the equation when we looked at salvation, if you wish, the 11th hour, the last resort, is that traditionally Ontario Hydro's contract with Elliot Lake has represented a small portion of the overall product that came out of Elliot Lake. By and large, it is that product, that portion, a large portion, that has dried up. It has dried up because of the grade. It is much higher in Saskatchewan. If you were to buy a pound of uranium, you can get it a lot cheaper because the grade is higher. It is cheaper to produce from Saskatchewan than you can from Elliot Lake.

Value for money or the position? It is a difficult choice to make. As Canadians we say price and quality compare. As Ontarians we say value for money, the taxpayers of Ontario. So we give a directive to Ontario Hydro. We do not dictate the terms of reference of Ontario Hydro. It is an economic decision they have to make. But they also have the ability to pass the cost of providing electricity to the consumers, so we are right back at square one. We are the protector of the consumer. It so happens that the price of uranium that is purchased by Ontario Hydro to provide electricity to Ontarians, if it comes from Manitoba, is three to four times the price that you would pay if you purchased the uranium elsewhere. So you really have to make a decision.

It brings forth all kinds of analogy. The price of gold this morning was \$362 an ounce. As Minister of Mines—if you are to guarantee hypothetically and I know it cannot be done, but just by way of example, if you were to add only 20%, not 300% to 400%, to the price of gold, we could guarantee you 1,000 to 1,500 jobs within two and a half to three years.

You have to strike a balance here. Sure, the downsizing that took place in Elliot Lake has been nothing short of devastating. You told me, Mr Brown, that your constituents could not go across the street to get a similar job. Nobody else in fact in your region, sir, can pick up the slack to make sure that you get good jobs with good fringe benefits. So many families have been uprooted, they simply had to leave. That is a dilemma that we all share, but we also have to look at the potential for the companies themselves. What potentials do they offer to get their financial house in better order, if you wish?

Your government, our government did not make a major commitment to buy Quintette. I know hindsight is flawless. It is 20-20. The thing is, there are many, many components, so if you have a debt to service on top of it, it does not make matters any easier. There are all kinds of elements regarding Elliot Lake. We are very conscious that \$15 million went from the Ministry of Northern Development—I do not pretend to speak on its behalf—\$2.2 million, partly because of your lobbying, your efforts, saying, "Hey, what about the people of Elliot Lake?" We are, as a government, addressing the situation of Elliot Lake. We are monitoring compliance on a daily basis.

Mr Brown: I do not know that I am any further ahead here. What I would like to know is, do you agree with your Minister of Natural Resources and the Premier, who both committed to 100% purchases of uranium by Ontario Hydro from Elliot Lake?

I think the Minister of Natural Resources has made some very interesting comments regarding this. He not only suggests that that needs to happen, and I happen to agree with him, but he also suggests and I quote from a letter to the Premier on this particular issue, that, "The provincial government should assist financially to ensure that the restructuring of Elliot Lake contracts under this government does not result in significant increases in electricity rates with Hydro's customers." What he is really suggesting here is that the difference in price be paid from the general revenue fund, from consolidated revenue, and not by the ratepayers of Ontario Hydro.

I am just trying to understand, as my constituents are trying to understand, are you going to buy 100% uranium for Ontario Hydro in Ontario from Elliot Lake and keep Denison Mines going? We have 1,100 workers out there who are very jittery, and with a lot of cause. Denison has lost major outside contracts. They are very nervous about this. I want to know and my constituents want to know what the position of the government is.

You are a very important voice for the north at the cabinet table. You understand mining, you understand miners, you understand these problems. I know you do, Minister. We have had numerous conversations over my three years here about all these problems. What we want is some assurance that the government is going to proceed with what it promised to the people of Elliot Lake before 6 September.

1140

Hon Mr Pouliot: I thank you for your kindness and you are right, I do understand the need to respect the oath of office and at all times to voice my solidarity to the consensus that has been reached by cabinet. Again, those important subject matters are in front of the government. They are being discussed by government as a whole and I encourage you, like we do and I know you do, to keep us abreast of alternatives that could be taken. We have an overall responsibility and if ever there was a cabinet that is solidaire, that is together, I mean, it is the cabinet. At the risk of sounding biased and prejudiced, can I say, this is a fine example of women and men working as one unit after having arrived at a decision through consensus.

Mr Brown: I am pleased, Minister, but I still do not have an answer. I would point out that I asked this question in the House to the Minister of Energy, who I thought may be a more appropriate minister to ask in the fall session, and I did not really hear an answer there. She kind of committed that she would discuss this with her colleagues, at least as I recall that is sort of the drift we got from her more or less non-answer to the question. I understand that she was a new minister and there are a lot of very important issues and she could not at that point be expected to know everything about everything.

I just want you to know that the chairman and president of Ontario Hydro, Mr Franklin, in a speech some two years ago to the chamber of commerce in Elliot Lake, committed that Ontario Hydro would continue to buy and would not reduce the amount of uranium purchased in

Elliot Lake. The Premier of the province, in answer to a question by your member Mr Wildman, suggested at that time that all the contracts would have to be reviewed—Mr Peterson suggested this—with an eye to increasing the purchases in Elliot Lake. We know what the former government was intending. What we are trying to discover here is whether you are going to maintain those contracts and increase them.

Hon Mr Pouliot: It is not a decision that I can make. This is a decision that cabinet, if faced with that question, would have to address collectively.

Mr Brown: I am asking your opinion, sir, your strong voice for the north, your—

Hon Mr Pouliot: I am cognizant, I am sympathetic, I do-

Mr Brown: You are sitting there advocating the needs of miners and mining companies, prospectors, juniors. That is what your position is at that table and we want to know what the position of the Ministry of Mines is at the cabinet table. Are you going to fight for this? Are you going to put this position as strongly as I know you can and present these views to the cabinet in such a manner that you will be successful and the people of Elliot Lake can be assured of a strong future?

Interjection.

Mr Brown: I did not want to bring that up.

Hon Mr Pouliot: There is no question that we will. No question that we will be front and centre. When it comes to the human dimension, we are very, very cognizant. Again, it is a collective decision of a caucus—

**Mr Brown:** I understand the collective position. What is yours?

Hon Mr Pouliot: —decision of cabinet, but I am not in the position as the Minister of Mines, to speak on behalf or on a subject matter regarding what the government will do. I am not the government spokesman.

Mr Brown: Perhaps then I could ask a question—

Hon Mr Pouliot: If you talk about mine promotion, then we can share some vision. If we talk about the need to make sure that people can toil in a safe and clean environment, then we can talk about it. But if you wish me to sanctify, to endorse an overall—

Mr Sola: If you close it down, you will be safe.

Hon Mr Pouliot: Humour does not become you. Do not be cynical, please. If you close it down, you will be safe.

Mr Brown: Minister, perhaps I could get you to-

Hon Mr Pouliot: Appalling. What about the workers?

The Chair: Minister, the Hansard did not record the sidebar. I would prefer that you stayed with the question.

Hon Mr Pouliot: But I was provoked.

**Mr Brown:** Minister, perhaps I could ask you a question that relates directly to your ministry then.

Hon Mr Pouliot: Yes.

Mr Brown: The ministry had made some significant commitments to the people of Elliot Lake in terms of

exploration in the last year, I believe. I just wonder if you could tell us how that program is going, if there is a significant takeup of the targeting of the particular programs, if we are in fact seeing extensive exploration activity in the area, and if not, what the ministry intends to do. Obviously finding a new mine is the best place to employ miners and seeing as we have, unfortunately, a surplus, it makes sense, we think, to continue with those programs. So if I could have an outline of how it is going, so to speak.

Hon Mr Pouliot: Vic, perhaps you could shed some light on the contribution from the Ministry of Mines, the \$2.2 million on geophysical activities, etc.

Dr Milne: Vic Milne, director, Ontario Geological Survey. The program was initiated just last year and we have a number of projects now operational in there. In fact, if we break it down, first we have mapping in the area, and what we are doing is concentrating on sectors where there is potential for other types of mineralization. In essence that area there has been a great deal of work done in particular on the rocks where the uranium occurs, and if there is potential for further discovery there, most of the companies will have looked at it and are looking at it. What we are looking for is diversification and the program we have put in is looking at the potential of base metals and gold. The mapping conducted there is indicating quite favourable environments geologically and as a result of the publication of preliminary information at the symposium, open house, at the end of last year, there has been an increase in staking in that area. For a long time it has been very lowintensity activity outside of the uranium type of rock.

In addition to that we have joint projects going with the university in Sudbury, Laurentian University, and there are two interesting projects there. One is in attacking another alternative commodity, platinum group elements, and looking at a specific body of geology just to the east of Elliot Lake. That is progressing well with Mr James, a professor at the University of Toronto. The second one is a lithogeochemistry project which is associated with the mapping, which provides signals as to where gold mineralization might be and so on. So those are going quite well and have stimulated some activity in the area.

In addition to that we now have an adviser, in essence an economic geologist promoter of the area now based in Elliot Lake. This comes under regional management at this point, northeastern region, but Jim Robertson is now positioned in an office there providing advisory service, working with the municipality and with the mines in providing information and encouraging exploration. So the geoscience aspect of the program is going quite well in the advisory and that will continue in the next year.

We will continue the mapping. Research done by Laurentian will be continuing. There will be in addition some projects tackling the glacial and other geology of the area from the point of view of aggregate availability and looking at industrial minerals in the context of the area resource offices.

The program is going well and we are quite encouraged, actually, with the initial results. There is some trepidation whenever you go into an area that is relatively blank

geologically, whether you are going to find something useful or not, and we were quite encouraged with what we found. That has encouraged exploration.

The Chair: Members of the committee, I am sorry that at this point I would like to put a point on the record for Hansard and if I have your indulgence, I would just simply wish to state that in the previous exchange between the minister and the member for Algoma-Manitoulin, there was an unidentified sidebar comment which provoked the minister to say, "Humour does not become you." The record of Hansard may not record who that was attributed to and I felt that it should be clarified for the record that the member for Algoma-Manitoulin, who was engaged in a question, a very serious question involving his constituency, was not the person the minister was referring to as saying that humour does not become him and that the minister was treating this response, as was the member for Algoma-Manitoulin, in a very serious manner. I would like to clarify the record for the protection of the member for Algoma-Manitoulin. If we could now please proceed, Mr Brown.

1150

Mr Brown: Thank you, Mr Chair. While I am pleased, obviously, to hear of the ministry's activities, I wonder about the program uptake. Are people pursuing the exploration? Are prospectors taking advantage of the enriched programming dollars for the Elliot Lake area, for the targeting?

**Dr Milne:** You are addressing OMIP and OPAP programs there.

Mr Brown: Yes, exactly.

**Dr Milne:** I am not familiar with the facts in that area and I would leave that perhaps to Dr Gammon.

Mr McIntosh: I am Sandy McIntosh. I am the regional director of the northeast region in Timmins. Mr Brown, I would like to just state that after replacing Jim Robertson there—who was probably, as far as expertise goes, one of the best we have in the province and the ministry—since he has been there, there has actually been an increase week by week and month by month of visitors who are coming into his office for help and advice and what not. So we are encouraged from that.

The number of OPAP grants, I am really not sure what they are, but they have increased too, I believe.

Mr Brown: Thank you very much. I know Mr Robertson. I know he does excellent work.

The Chair: Mr Miclash.

Mr Miclash: Thank you very much. Mr Chair, I would like to go into the area of environmental assessment and the extension of that, mining development. The minister is well aware, and I have touched on it earlier, how this is of particular interest to myself for the development in my own area. At this time I would just like to know if the minister or his staff has had any discussions with the Minister of the Environment regarding this extension to the mining development.

The second part to that question, I would like to know if the minister himself has spoken to the industry leaders about this issue and what he could report from those various meetings. As he will know, this is an issue that they are very concerned about and one that we are setting precedents in. If the minister would just comment, please.

Hon Mr Pouliot: You are referring to Shoal Lake, of course.

Mr Miclash: Yes.

Hon Mr Pouliot: In terms of consultation by myself with different ministries or with people directly involved in the corporate or private sector, I have not had any discussion with any private party. In the mining community of course in discussions with the Ontario Mining Association or environmentalists, concerned people, the issue of Shoal Lake often comes up. It is not done in an official forum, meetings. I have not taken part in any meeting where the issue of Shoal Lake was on the agenda. Of course, we are very much aware; we do read the paper. We have people in the ministry whose job is to address this sort of endeavour. We are aware of the contribution, among others, the consultative professor has made. We are also aware that an an environmental assessment has been commissioned. My understanding is that the EA is ongoing.

Mr Miclash: Yes. Minister, at this point can I ask you, do you agree with that policy of the EA being placed in terms of checking into that situation at Shoal Lake? Are you in agreement with that policy as it stands today?

Hon Mr Pouliot: Not only am I in agreement, I see it as a natural part of due process that an environmental assessment be conducted. I have not only no quarrel with it but I would look forward to the recommendation, to the findings, of an environmental assessment. Whenever the possibility, however remote, whenever questions are raised, EAs address those questions, those concerns. Not only do they put people at ease but what they do is they come up with technical data that is necessary.

Mr Miclash: So you are saying that you would be satisfied with that, what they should possibly come up with. I guess what I am getting at is, would that be to your satisfaction fully, or do you see the intervention of the federal government coming into this issue as being something you would like to see?

Hon Mr Pouliot: You are quite right. Whether I would be or anyone would be satisfied—and I want to set the record very, very straight. Simply put, I took your question to mean if I favoured as the Minister of Mines the process of an EA and I said yes and I do not wish to mean anything else but that. Simply put, I am not saying: "What will you do with the EA's recommendation? What will be your recommendation." No. I am saying that the EA process is an exercise that I certainly adhere to.

Do you have a supplementary?

Mr Miclash: I am just asking, if you are happy to say that—

Hon Mr Pouliot: Then the feds?

Mr Miclash: Yes, if you are happy with the assessment being done by the province and what we are going through now, how do you see the intervention from the feds in this process and what is your opinion on that?

Hon Mr Pouliot: The point is well taken; intervention. There is a right to review. The feds, if commissioned, if asked, have the right to say, "Yes, we at the federal level will conduct our own EA." I would hope, and I am not saying for the sake of expediency, not in that context, but just for the sake of not duplicating, if you wish-it may result in expediency—that if you have terms and conditions that are set forth with a provincial EA, that if the feds choose to conduct their own EA, under the review process if you wish, that they would take into consideration the data that have been acquired by the first EA in order to avoid duplication in mandate. You do it in accounting, you do it almost anyplace else. That would be my way of looking at things. If you have an answer, conclusive evidence that leads to yes or no or whatever, this would be taken into account when the terms of reference are looked at under federal jurisdiction.

Mr Miclash: Thank you. I would like to move now to north of the 50th. I believe Mr McLean touched on some concerns. I guess what has happened so far is that we have had ad hoc negotiations with various groups up there. I am referring to the Dona Lake site right now. Are you as the minister satisfied with the process as it has been up until today, and is your government approving the criteria for areas north of the 50th?

Hon Mr Pouliot: You mentioned the Placer Dome at Dona Lake and you could go on to other partnerships, if you wish, co-management or participation. We must keep in mind that it is early in the process. It was long in arriving, late in arriving, but it is early in the process.

Dona Lake was a pilot project with the Osnaburgh band. I met very, very often with Frank Beardy regarding future participation; with Roy Kaminaiwash, who is the chief at Osnaburgh; with the McKay brothers, who took turn being chief of Big Trout; people involved with Nishnawbe-Aski, with Treaty 9, saying, "What about our say in mining development? What about our say in participation?" in this case at Dona Lake.

Am I satisfied? I am not totally satisfied, because inevitably when you have a pilot project, you must have a phase two. Satisfied that an agreement was reached, yes. Of course, there is the need to improve on those agreements. The agreement that was reached was one where people would be given the right to earn a living. Some training was taking place. I would like to see native participation go many, many steps further.

1200

Mr Miclash: Minister, as we know, you touched on the Dona Lake agreement and there were requirements for jobs for the native people in the area, whom you are, as you have indicated, very familiar with. Currently, apparently the United Steelworkers are contesting the agreement; that is, the requirement for those jobs for our native people, the native people in that area. What discussions have you as minister had with the union? As you have indicated, you already discussed this with the native groups, so what I am looking for here are the discussions you have had with that particular union and the Minister of Labour on this issue.

Hon Mr Pouliot: Trust me. Your last statement, with respect, is total and complete news to me.

Mr Miclash: Okay. Could we maybe have a report back on that and some research done by the ministry?

**Hon Mr Pouliot:** The point is noted by the members of our ministry. Thank you, yes.

Mr Miclash: I would just like to wrap up at this time with a final question about the negative light, and I spoke about this earlier as well, that the mining ministry has taken, the image that it has taken across the province. I am just wondering what you as minister are doing, your ministry is doing at this time to possibly raise that image in the minds of many people, particularly here in the south.

Hon Mr Pouliot: I understand the need to use this sort of terminology. I sat where you are sitting as a member of the opposition, as a member of the third party, and I too once saw some flaws associated with government programs, saw it as my duty to highlight them, but only when I had a positive alternative. So when you are talking about negative lights, we must keep in mind that our cabinet was sworn in on 1 October. That negative light did not come to shine since 1 October, if there is any such thing, and I do not trust there is.

I do not think that mining has a negative light. If you ask me, "What are you doing to enhance it?"—and you did—then I—

Mr Miclash: If I just might interrupt, when you say you do not think mining has a negative light, all you have to do is read the headlines around my particular riding, in the papers of Winnipeg, and for you to sit and tell me that there is no negative light on mining, all I have to do is produce some of those headlines for you. I understand what you are saying about the previous administration. I am asking what you as minister have in mind to change that negative thought, negative perception of these many people. As I say, I could produce many headlines around.

Hon Mr Pouliot: We are constantly building bridges. We are constantly consulting with all the parties, all the stakeholders, all the players involved. If you were to ask me, "What are you doing"—and you did—

Mr Miclash: I did.

Hon Mr Pouliot: Subconsciously perhaps.

Mr Miclash: I have not been able to get Hansard back and find out whether I did or not.

Hon Mr Pouliot: No, no—"to give mining its rightful place under the sun?" then we could talk about the proverbial light. We could talk about the golden age. Then I say we are doing lots. We are going to go to the schools and tell them if it is not farmed, it is likely mined. We will tell them about the everyday life, the appreciation, the knowledge. We will not advertise in in the financial journals. We will go to the street and tell people: "Look, this is what mining is doing to you. Mining is honourable. You could not live without the efforts that mining is doing." We are going to encourage women to take mining courses. We will go and grab native Canadians and say: "It's part of your land base. We need you for economic development."

We will provide incentives so that the short-order cook will not be found unemployed walking the streets of Thunder Bay; you will find him as a chef working and feeding contractors, diamond drillers. We have to go with our forte. What are we doing? Putting our best foot forward. What we are doing is trying to improve 85,000 direct or indirect jobs, \$7 billion to \$8 billion; you know that. We want to make it better. We want to give people the tools, the encouragement so that not only can they cope in the economic society of Ontario, but they can enhance the potential of mining, the impact it has, all of it. We will do it with passion. We will do it with dedication. We shall do it with commitment and we can count on your encouragement.

The Chair: Order, please.

Interjections.

Hon Mr Pouliot: So fascinating.

The Chair: Do not forget, Minister, you are going to give calendars to 130 members of Parliament. Mr Miclash, you still have the floor.

**Mr Miclash:** Mr Chair, I just wanted to say that I did see my calendars yesterday; I went through it very carefully. A very good start, Minister; I must admit that is an excellent start in showing the people of Ontario the positive aspects of mining and the history.

The Chair: Ms Haslam.

Ms Haslam: It is my turn in the rotation?

The Chair: Yes.

Ms Haslam: I have only two questions, because many of the questions I had have been asked. I would have no problem tabling those questions, as I understand that Mr Miclash has ended his question period. I would have no problem tabling these two questions because they do ask for specifics and costs and—

The Chair: Would you like to read them into the record. Ms Haslam? It will take a moment.

Ms Haslam: Sure. Page 12 of the speaking notes—I would like a list of the research projects and the cost of each. Page 18 of the speaking notes from the minister—I would like a list of the 20 projects, a list of the universities they are with and the cost for each.

The Chair: Mrs Marland, do you have a very brief question?

Mrs Marland: Yes. I would like to table my question and I would be happy with an answer from the minister. In light of the position of his government which was reconfirmed when we had the Minister of Energy before us dealing with the Energy estimates, that it does not support future nuclear plants being built in the province, could the minister answer for us how he sees that policy of their government affecting the future of communities like Elliot Lake, with the uranium mines, and other similar locations in the province?

The Chair: That question is duly noted by the deputy and a written response will be provided in all instances through the clerk to the members. I wish to simply put on the record two further questions that have been asked of each of the ministers during estimates. The first one is in the ministerial directive of a year ago. Can you identify what restraint measures and/or cutbacks were undertaken by the Ministry of Mines during this current estimate year? If that can be a brief response; it is usually a one- or two-line response.

The second question has been the new government's \$700-million anti-inflation package: Could the minister advise the committee of estimates if he has any of that allocation associated with his ministry? He might exercise his licence if that also includes Northern Development, if he has allocated an allocation to that ministry. But specifically do you have any of those funds and how much for Mines? Those are the two questions we have asked each minister. Perhaps I could ask Sheila to respond to the first one.

Mrs Willis: The constraints—I can give you it by item within the vote. It is indicated on the briefing package. Just a moment. I think I can give it to you for the division. I am sorry. I do not have the figure for the division. Do you recall—

Mr Irvine: It was a total of 4%, but I do not have the—

1210

Mrs Willis: It was a 4% constraint within the division, which is within vote 2903. I can come back to you with the details of how that constraint was applied against each item.

The Chair: Thank you. You will treat that in a similar fashion to the other requests for response in writing. The minister may wish to respond to the second question briefly, and then I will recognize Mr Miclash for summary comment.

Hon Mr Pouliot: Under Northern Development, many mining communities, naturally, were beneficiaries. There was \$40.8 million out of the \$700 million committed under the anti-recession program, and under Mines, in Cobalt abandoned mines testing to the tune of \$500,000.

The Chair: Mr McLean has already provided his brief summary statement. Perhaps Mr Miclash would summarize quickly his statement, and then we will ask the minister to summarize, and then we will proceed with the two votes.

Mr Miclash: I would just like to indicate at this time that, in the absence of Mr McLean and with the agreement of the party in power, we have also agreed to table the remainder of our questions. There are four pages of them here. We will be looking for a written response from the minister; hopefully it will not be volumes, as we know he could probably produce. We are asking that the minister commit himself to answering the questions, and a possible date from the ministry as to when we could expect the answers.

The Chair: It would be fair to the deputy to have a sense of the nature of the questions before he could affix a time line. Were they to be order paper questions? You will be familiar with the standing orders. I believe the deputy would try to treat them in as expeditious a manner and in a similar fashion.

Mr Miclash: No, these are not order paper questions. These are questions we would have asked had we gone on

with the time this afternoon, and asked for responses from the ministry.

The Chair: With the committee's indulgence, I must give the deputy a moment to read the questions so he can affix a time to their response.

Mr Miclash: While he is doing that, maybe I could just go on to say that I, as critic to the Ministry of Mines, have enjoyed the past number of hours we have spent. I think we have brought forth a lot of very important issues, and I have enjoyed some of his responses. However, we normally produce hockey players in the north and not figure skaters, and here we have definitely seen a figure skater that we have produced from the north on some issues. I must agree with my cohorts that it was a very entertaining few hours.

I would also like to note the minister's commitment to the Agenda for People, something we have heard a lot about, something I know a good number of members in the official opposition and those in the third party are a little disappointed in. I know there are many good things in that agenda that have been stated would be fulfilled to the people of the north, and knowing of the minister's influence in cabinet around the table, I look forward to the fulfilling of that agenda for the people who I know he represents so well in our northern portion of the province.

With that, Mr Chair, I would just like to say it has been a pleasure working in the committee and I look forward to the answers from the minister.

Hon Mr Pouliot: First and foremost to you, Mr Chairman, and to colleagues and good friends, be it the Progressive Conservatives or the Liberals—of course, you will allow me this bias, with our opportunity to form the government, that our own family of New Democrats—I know what it is like. I see Michael Brooks, and there are other people, of course, people in the ministry, people in our political staff, everyone who made this exercise. I am not privileged; I am blessed. I say this sincerely, being able to—not escape, because it is not a game—but with the collective effort of seeing the common goal: we all wish to benefit through mining.

Sure, we have to be aware that it is a political exercise. We have a constitutional monarchy, and the adversarial system will prevail. I know, in a political sense, that some of the people with the respective caucuses have either the skins of elephants—others are not as thick-skinned, but they have several layers as well. So whatever suits their style and fancy, they play their role very well. Never vindictive—I did not notice that; passion, but no vengeance; nothing deliberate, systematic to embarrass others. Instead, contributions to make our presentation better next time we have the opportunity to respond to this kind of invitation from estimates.

So thank you again and thank you for all the hours of some anxiety, but the hours of preparation deserve more than a verbal pat on the back. A lot of people have worked very hard to inform and answer the questions of the members of the committee in terms of the legitimate—and they were all legitimate and interesting questions that were asked. They will be answered. They will be answered fully as best we can in the shortest of time. We will be treating your concerns with seriousness, and they will get all the attention they always deserve.

The Chair: I have been advised by Deputy Minister Brock Smith that he is hoping that 4 March is the date he will have the answers prepared.

I want to thank the committee for their combined efforts in these, our final of six estimates. We have, by prior consensus and unanimity, agreed to complete the assigned time for the 1990-91 estimates for the Ministry of Northern Development and Mines, specific Mines votes. I shall now call for the vote on each of the estimates vote items.

Vote 2901 agreed to.

Vote 2903 agreed to.

The Chair: Shall the estimates of the Ministry of Northern Development and Mines be reported to the House?

Agreed to.

The committee adjourned at 1218.

#### CONTENTS

#### Thursday 21 February 1991

Ministry of Northern Development and Mines		315
Adjournment	E-3	332

#### STANDING COMMITTEE ON ESTIMATES

Chair: Jackson, Cameron (Burlington South PC)
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Also taking part: Brown, Michael A. (Algoma-Manitoulin L)

Clerk: Carrozza, Franco

Staff: Campbell, Elaine, Research Officer, Legislative Research Service







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#### Standing committee on estimates

Report of subcommittee

## Assemblée législative de l'Ontario

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Le mardi 4 juin 1991

#### Comité permanent des budgets des dépenses

Rapport de sous-comité



Président : Cameron Jackson Greffier: Franco Carrozza

Chair: Cameron Jackson Clerk: Franco Carrozza





#### **Table of Contents**

Table of Contents for proceedings reported in this issue appears at the back, together with a list of committee members and other members taking part.

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#### Table des matières

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#### LEGISLATIVE ASSEMBLY OF ONTARIO

#### STANDING COMMITTEE ON ESTIMATES

#### Tuesday 4 June 1991

The committee met at 1533 in committee room 2.

#### REPORT OF SUBCOMMITTEE

The Chair: I recognize a quorum. I call the standing committee on estimates to order. Everyone has in front of him a copy of the agenda which Franco has prepared and a copy of our proposed budget. The first item is the subcommittee report. Are there any questions, comments or discussion?

**Mr Daigeler:** The Ministry of Housing, the Ministry of Transportation, the Office for the Greater Toronto Area and the Ministry of Energy are the ones from the third party?

The Chair: That is correct.

Mrs Marland: The time assigned to the ministries, seven and a half hours each; is that laid out in our standing orders?

The Chair: No. A maximum 15 hours is laid out in the standing orders. At the subcommittee meeting it was suggested that the seven and a half hours per ministry be considered.

Mr Daigeler: At the discretion of each caucus. I mean, if the third party would want to vary the hours allocated within the 15 hours, more to one ministry and less to the other, that would be up to it.

The Chair: If you wish to entertain an amendment—

Mr Daigeler: Since there was no one there from the Conservatives at the subcommittee meeting—

The Chair: Well, there was. There was not a position taken by the Conservatives, but a Conservative attended the subcommittee, to be absolutely accurate, Mr Daigeler. Proceed. I did not mean to cut you off. I just wanted to clarify.

Mr Daigeler: No, you are quite correct. There was somebody there, but he was not able to speak on behalf of the party.

Mrs Haslam: As a matter of interest-

The Chair: Mrs Haslam.

Mrs Haslam: —we did leave it open. Thank you, Mr Chair.

The Chair: I like to recognize you from time to time.

Mrs Haslam: Thank you. I like you to recognize me from time to time.

The Chair: Then please permit me. I did recognize you.

Mrs Haslam: Oh, thank you. With due respect, we left the gentleman from the third party who was there an opportunity to come back with the ministries and the timing. I was left open for him to bring that back. What you see in front of you is that decision, I thought.

The Chair: Returning to Mrs Marland's question, did you wish to make any modifications to the portion from the third party?

Mrs Marland: Could that be identified for me, please?

The Chair: Housing and Transportation in the first round and the Greater Toronto Area and Energy in the second round.

Mrs Marland: I do not think I need to make any amendments to those. Can I ask why we are doing the Ministry of Northern Development and Mines again? We did do Mines.

The Chair: We did Energy as well, so maybe you could answer why, from our caucus, why we are doing energy a second time and then we will give the members of the governing party an opportunity to explain why they would like to do Mines a second time. Mrs Haslam.

Mrs Haslam: Oh, I thought you were going to allow her to answer first. I would like to listen.

Mrs Marland: I have no explanation for why we are doing Energy a second time because I have not been a part of recommending that we do Energy.

The Chair: Mrs Haslam.

Mrs Haslam: Thank you. In the first round, we did only Mines. In this one I would like to do Northern Development now.

The Chair: Very good.

Mr Daigeler: That point was actually raised. As Mrs Haslam just said, they really want to look at Northern Development. However, I think the clerk advised us that the official name of that ministry is Northern Development and Mines, but really for the record, I think the governing party requested Northern Development.

The Chair: Yes. Just for further clarification, the reason that the votes are identified is because it is that portion of estimates associated with northern development. But we have to give the full title of the ministry, Northern Development and Mines. By designating votes 3001 and 3002, it would be a direction to the House that we are intent on doing the Northern Development portion only.

Mrs Haslam: I would like to know why we are redoing the Ministry of Energy now.

The Chair: Mrs Marland, if I may comment and if you will permit me as Chair to comment on why interest was expressed on behalf of the third party, it was because there is a substantive change in the directorship and in fact the head of Ontario Hydro, which falls well within the mandate of the Minister of Energy, and other matters relative to concern for supply and demand.

Mrs Haslam: I will reserve my answer.

1540

Mr Daigeler: First of all, of course there is no redoing of the ministries, because these are new estimates, so technically one could begin with any kind of ministry. Second, certainly you are welcome to speak and give an explanation on behalf of the Conservative Party, but the committee has no choice. Whatever the parties decide, that is their preference.

Mrs Marland: I would not want the Minister of Energy to think we were out to get her by having her come back a second time, so I am interested to see it is there and I accept the explanation.

The Chair: To be absolutely clear, the Minister of Energy was before this committee to discuss the 1990-91 estimates, and as you know, we have before us our selections for the 1991-92 estimates year. In fact, what we are doing with the Ministry of Energy is examining its estimates for a two-year period, as opposed to simply doing it once in the two-year period.

Mrs Marland: That makes a great deal of sense.

The Chair: More than requiring confirmation of the sense of it, I really would appreciate someone to move it.

Mrs Marland: I will move it, Mr Chairman.

The Chair: Thank you, Mrs Marland; seconded by Mrs Haslam. With no further discussion, all those in favour? Carried.

The next item before us would be to determine just how soon we can undertake to commence in the order you see before us; so the question to the point is, how soon do we wish to begin Ministry of Labour estimates? The clerk advises me that tomorrow we can present out report to the House, and we are required to give the minister and his ministry two weeks' notice, so the earliest possible date we could start would be probably Wednesday 26 June. We might be allowed, for want of a day, to commence Tuesday 25 June. Any discussion on a commencement date?

Mr Ferguson: Can I ask, what has been the practice in the past? Does this committee meet during the summer?

Interjection: Yes. The Chair: No.

Interjection: I am sorry; it does not meet-

The Chair: For clarification, the standing orders require that we meet when the House is in session. We were granted, through the House leaders and through the government, an opportunity to conduct our first round of estimates for the 1990-91 year, because no estimates had been done for that period, and that was done outside of House time, when the House was not in session; that required special permission from the House leaders in order for us to do it.

It is safe to say that our House leaders are currently looking at, and our legislative calendar confirms that we would prorogue on or about June 27, which would give us the last week of June to perhaps do the major portion of the Ministry of Labour. Failing that, we are slated to come back the very last week of September and, as such, we could start any time around October 1. Is that helpful?

Mr Ferguson: Yes. The second question I have, recognizing that I am a relatively new player at this game, relative to some of the veterans, is, why do we do this?

The Chair: Why do we do estimates?

Mr Ferguson: Yes.

Mrs Marland: That is a very excellent question, and I identify with your question, because when I came to Queen's Park a mere six year ago from 12 years in municipal politics, where we reviewed budgets before the money was spent—and I am sorry, I do not know your background; it may be the same—

Mr Ferguson: It is identical, yes.

Mrs Marland: Yes. When I came down here and found that what we were reviewing was money that, for the most part, was at least half spent, I thought it was a ridiculous system. If we can get it advanced to the point where the timing of reviewing estimates is truly estimates, or a pre-expenditure of a projected budget, then that would make sense. I certainly understand why you are questioning it, because I have felt the same way myself. We could change it.

Mr Daigeler: It probably would be useful for Mr Ferguson to take a look at what the Provincial Auditor has been saying with regard to the estimates committee process. In fact, I think a paper was prepared for the committee which explains the background of the estimates committee and makes reference to some of the work and some of the recommendations made by the Provincial Auditor.

Generally, this is an excellent opportunity to get some more detailed answers from the ministers. As you know, we have a very hard time during question period to find out what is actually going on, and the estimates process provides a very good opportunity to hear what is happening in the different ministries.

Mr Ferguson: Generally what I am hearing is that it is a good exercise to gather more information about what is taking place in the various ministries.

The Chair: Well, no. Our standing orders clearly set out the requirement for estimates. It is an accountability process. We are dealing with tax dollars, and it is the only specific accountability process of examination, separate and distinct from the auditor. The auditor's function is always post-expenditure. In most jurisdictions in Canada the estimates are done prior to expenditure. Our habits and procedures and regulations have evolved, and the most recent set of changes, which occurred in 1986 under minority government, came up with this format. Subsequently the auditor has passed comment that our estimates process was left wanting because of the few numbers of ministries that were actually being examined and for the amount of time and detail that was given. The third point the auditor addressed was that, for the most part, most of the expenditures had already been completed, so how meaningfully were you approaching how the ministry was spending the money?

That is the short version of it. If we want to change the process, we have options to examine, other jurisdictions, and a report—that was the report Mr. Daigeler referred to,

4 JUNE 1991

E-337

and that can be recirculated to all committee members, if you so wish—to give us an opportunity to examine that question. We could make recommendations to go to the House and/or our respective House leaders with respect to requesting changes in the estimates procedure.

1550

Mrs Marland: My position is that it is a meaningful opportunity to extract more information from the minister about items, and it ends at estimated expenditures. I support very strongly the position of the auditor—I was going to say especially for the opposition members, but really for all of us. The exercise does not empower us to recommend any changes as a result of the information we glean from our examination of those estimates with the ministers and their staff. So how realistic an expenditure of time and staff resources is it in the overall interests of the public? I think the answer is that we can, as Mr Daigeler says, get answers that we are not permitted the time to obtain in the House.

Although in this case we are now down to seven and a half hours for some pretty major ministries, when I look at the fact that we have got the most major ministry listed here, which spends a third of our provincial budget—and I am referring to the Ministry of Health—and I look at seven and a half hours, I know we are all probably going to be very frustrated in trying to get all our questions tabled in the seven and a half hours.

Mr Perruzza is shaking his head. That is probably because he will not have any questions. If he drops in and acts the way he did the last time we will not have to worry.

Mr Perruzza: I ask them during the entire full year. I do not leave it to just seven and a half hours. It is an ongoing process. So I vent those questions.

Mr Daigeler: Does he have the floor?

The Chair: No, but he seldom gets recognized by me, so I thought I would let him do that.

Mrs Marland, if you could come to the point, our clerk wishes to respond to one of the questions you have raised, and I have four other speakers, and what is on the table is when we meet. I just want to remind all members, because we can sit only until six o'clock tonight if we wish to have our report ready for the House tomorrow.

Mrs Marland: I know the point is, when do we meet. But I think part of that discussion is the timing of this committee's review of these estimates. Why would the committee not want to make a positive change in a positive direction and maybe follow the recommendations of the auditor and, as an estimates committee, make the recommendations of the auditor to the government House leader? It could therefore be reflected in the timing of the estimates committee's sitting, so the review would be realistic. We could perhaps save taxpayers' money in some areas where we have extracted more information. Collectively, we agree that maybe that should not be the priority, and we can make recommendations for other tax dollar savings based on the added information we are able to get from the ministries.

I would like to see us, as a committee, make some real contribution to fighting the cost of inflation in this province by saying, "Yes, we review the spending of as many ministries as we can." Where we see priorities that we can't support and where we see areas where money can be saved, we can realistically make those kinds of recommendations as a committee. When I have the floor again I will place that kind of motion, that this committee study the option that we have of giving support to the auditor's well-framed recommendations.

Now to the question about when does this committee meet. You are suggesting the last week of June and the last week of September or the first week of October? When do we come back?

Clerk of the Committee: September 23.

The Chair: Monday 23 September is the calendar date for reconvening.

Mrs Marland: Which is the last week of September. Are you suggesting then that this committee does not sit during the summer?

The Chair: I have already indicated that regulations governing the conduct of this committee prevent us from meeting during the summer unless we specifically ask the House leaders and gain their approval and it is approved by the House.

Mrs Marland: Okay.

The Chair: I would further add, and I must introduce this, that item 2 is our proposed budget. This budget has been struck in accordance with the current regulations and practices, which indicate we will meet in this building during House sitting times, and the budget has been drafted accordingly. Should we meet outside of that, I think all members are aware that it would have a radical impact on the costs of the committee and that we certainly are prepared today to present a budget that reflects that. If we wish to move away now from picking a time and fully explore the suggestion of Mrs Marland, I must advise you that we could not proceed with our budget in the knowledge that we were hoping to change our meeting schedule.

Mrs Marland: If we were to realistically explore the other options this committee has, to make this committee more effective in its responsibility and in its mandate of reviewing the expenditures of government ministries, it might be worth while investing the time and effort of the committee to visit other jurisdictions and do some homework on exactly how estimates committees work in other legislative assemblies in this country.

Mr Perruzza: Switzerland?

Mrs Marland: That is not a facetious suggestion on my part. If we have all that information available to us, we do not have to move outside of this building to discuss it. But I think it would be very responsible for us at least to review that kind of information.

Mrs Haslam: We have gone off on a different vein and I just wanted to come back to talk about programs. I find estimates also is a place to examine where the moneys are spent and the value of the programs they have in place. That has not been mentioned yet, and I certainly would like to bring that forward. That is something I look very

closely at: what types of programs are offered and where the money is spent on those programs.

I see no problem with examining where we are going as a committee; I just want to give us enough time to do that. Deciding whether to go ahead with these types of estimates and taking a look at a long-term change would suit me better at this time in this session and I have no problem with that. But I feel we should go ahead with the type of agenda we have, with the budget we have and maybe during this time, or over discussions, take a look at how we can bring some of these changes to this committee and look at where we are going long term. But to try to do it simply because we are near the end of June—let's do it now before we get into this—I have a problem with that. I would rather discuss a little more and take a look at it as a long-term change, not this-term change.

The Chair: If you will permit me to summarize, your suggestion is that we can still review but we should not hold up the process of commencing estimates simply because we want to review. They should occur, at best, concurrently.

Mrs Haslam: Yes. That is correct.

The Chair: But let's not hold up estimates while we decide.

Mr Johnson: This is the first opportunity I have had to be at the estimates committee, so it is going to be a learning experience for me—in a very short time, I hope—but would it not be easier to change the name and call it the standing committee on expenditures?

The Chair: In some provinces they have done that, but we call them estimates in Ontario.

Mr Johnson: Thank you. That is all I have to say today.

Mr Daigeler: I agree with Mrs Haslam. I think there is no harm in reviewing the work of the committees to see whether this is productive under the circumstances. But I for one would want to give the current process another try at least for a while. We more or less just started getting into it in our first round, and I am looking forward hopefully to some of the new ideas and new projects that are coming from the new government.

I for one, as well as the critics, I am sure, am very keen to hear in more detail from the ministers what they are planning and the costs associated with it. So I am certainly not ready to throw out the whole process we have had so far. I am ready to look at it as the opportunity arises, perhaps midterm or at the end of this round. Perhaps at the end of the first round of ministry estimates we could take a few hours to see what we have learned from the experience and whether we want to make recommendations. After all, whatever objectives would be given to the committee would be decided not by us but by the House.

Right now we have a mandate and we have to fulfil it. We can make recommendations, but at the same time we have to fulfil the mandate that has been given to us. I do think we should start. If the Ministry of Labour can come in the last week of June, yes, let's get going.

Mr Ferguson: I think the operative question is, why are we doing this and why are we going through the exercise? When I was first appointed to the committee and I was given an understanding of the committee, it did not make a whole lot of sense to me. However, I am certainly prepared to reserve judgement until after we have been through at least one ministry. I think after going through maybe one or two ministries I will have a much better handle on exactly what we are supposed to be accomplishing here. I want to suggest to Mr Daigeler that perhaps the information he thinks he is going to obtain could very well be obtained through other sources rather than going through a process like this.

1600

The Chair: Our clerk would like to comment briefly.

Clerk of the Committee: I would like to make two comments, one regarding the questions by Mrs Marland and one those by Mr Ferguson.

Mr Ferguson, one of the tenets of the government of this country is that it has the right to make expenditures. What you are doing here is reviewing those expenditures. That is a tenet of the government. The Legislature has set out for itself certain criteria and standing orders for you to choose the ministries that you wish to review and set a time for that review so that the ministers and their staff can come here and respond to your questions. They have an obligation and a responsibility to account for those moneys spent by their government. That basically is your right. You, as a member of the public, have that right.

To respond to Mrs Marland, under our standing orders we have a specific way that we review the estimates at this time. However, you do have a certain opportunity, at the end of the year, to review the manner in which you have reviewed these expenditures and make some suggestions. However, those suggestions would be part of a report that you send to the Legislature making recommendations for what you believe to be drawbacks in this system. Then it would be up to to all three House leaders to set some time to meet to change the standing orders. Unfortunately, we have a specific mandate to review, in this particular manner, the estimates of the government.

Mr Perruzza: Mr Carrozza essentially stole my thunder. When I looked at this estimates committee and initially reviewed both its terms of reference and its mandate, it appeared to me that this was essentially the watchdog of government expenditures, the guardian of the public purse essentially, and that it was the mandate and the role of this committee to review projected expenditures by ministries and ministers and expose costly, expensive, redundant government programs and make recommendations to the minister and to the House when these costly programs and redundant programs were exposed.

Of course, we all hold our particular views on what it is important for us to be doing and what it is not important for us to be doing. That was a time to express those views as well. I think the process we have is working quite well and I do not see a need for having to sit down and reassess the terms of reference of this committee and to develop some new role for it with, I do not know, increased or

diminished powers. I think we have a good process, so we should just continue with it.

Mrs Marland: Now that the recommendation before us is for seven and a half hours per ministry, I am wondering if the committee would agree to limiting the time for the introductory remarks by the minister and the responsive comments by the two opposition critics.

The Chair: That is already in the standing order.

Mrs Marland: No, I know that, and I know what it says in the standing orders.

The Chair: I apologize for the interjection, but I did not call it out of order. Please continue.

Mr Perruzza: Is there a split in the Conservative caucus?

**Mrs Marland:** Well, you are not very smart. There is only one member of the Conservative caucus here. Mr Daigeler is the Liberal.

**Mr Perruzza:** Oh, I see; so Mr Jackson does not belong to any party?

The Chair: Not when I am in this chair, Mr Perruzza. Please proceed, Mrs Marland.

Mrs Marland: I have attended estimates committees when minister's opening comments have been as long as one hour. What I am suggesting is, if we are going to agree to seven and a half hours per ministry, that we should also agree to limiting now what the amount of time would be that a minister would be able to speak in this format of seven and a half hours per ministry. In the past, we have also had major and minor ministries. We have had ministries where we have spent eight hours, and we have had ministries where we have spent five hours, in my experience. I would like you to respond.

The Chair: The standing orders, to my knowledge—I was just briefly going through them—give us a maximum 15 hours for caucus selection, so it has been the custom to choose two; the hours, as has been stated earlier, are purely at the discretion of the caucuses to recommend to this committee.

Second, the sequencing of speaking order is set out in the standing orders, but certainly not the time, to my knowledge.

Clerk of the Committee: I should clarify for you, Mrs Marland. The procedures really are in the standing orders, beginning at standing order 54 and continuing to 63. The particular one about the time is standing order 57(d), which tells you that you cannot use more than 15 hours for both. If you choose one ministry, you can use the 15 hours. However, if you choose two, it cannot be more than 15. So if you wish to have 10 and five, 12 and three, one and 14, it is totally up to the party choosing. Also, it can be an office or a ministry. And it is stipulated that there will be two rounds, and the order will be the official opposition, third party, government for the first round, and the same for the second round. In the subcommittee, the same system was followed. The opposition shows first, the individual from the PC can have—

The Chair: I am sorry to interrupt, Mr Perruzza. You were out of the room when Mrs Marland tabled these

questions to us. She wanted to know if the standing orders specifically set out—

Mr Perruzza: It is Mr Carrozza.

The Chair: Forgive me. Will the record please be corrected that I was referring to the clerk, Mr Carrozza. The question is, does the standing order set out the length of time that the ministers can give their opening statements?

Clerk of the Committee: Yes, it does.

The Chair: We just wanted the clarification, not the entire standing order procedure.

Clerk of the Committee: It is in the standing order that the minister will begin with half an hour, followed by the official opposition for half an hour and the third party for half an hour, then the minister has half an hour to respond. If you give me a moment, I will return your standing order binder.

The Chair: That is fine. So the first two hours of estimates can be the exchanges between the critics; the presumption is the critics and the minister, and final responses. From seven and a half hours, my math tells me we would be left with five and a half hours.

1610

Mrs Haslam: Is that new math?

The Chair: That is new math. We cannot change those rules at this point, because they have to be approved by the House. If we wish to change those standing orders, we would have to recommend that and until such time as the House passes any changes, we are obligated to follow or be guided by those rules.

Mrs Marland: You and the clerk have a copy of the standing orders in front of you, which I do not have. Is the wording "may" or "shall"?

The Chair: "Shall," "up to."

Mrs Marland: "Shall use up to," that amount of time.

Mr Daigeler: I think Mrs Marland is referring to what used to be the practice, but there was a change last year and there was that time limit set. I am aware of the concern you expressed. I think some of our ministers and I am sure some of your ministers did use considerable time in presenting their cases, therefore taking up the time of the estimates. Therefore a change was made to limit the presentation by the ministers and also by the critics to half an hour each. I must say, at least in my limited experience in the realm we had in the winter break, that it worked well. I thought it worked well. Of course, there is also the opportunity that is used extensively by many members to pose written questions, which are then answered later on at the discretion of the minister. In fact, I got a very thick package of answers from the Ministry of the Environment just last week to questions that were asked last February.

Mrs Haslam: That is correct, yes. They just came to us recently. They were tabled, I believe, by Mr Conway.

The Chair: If I might just clarify, Mrs Marland, the actual wording says "a representative of each recognized party may speak for not more than 30 minutes." It goes on, "Thereafter, the Chair of the standing committee shall ensure

that the members adhere strictly to the vote and item under consideration."

Perhaps I can please ask that we come back to the agenda fairly soon. I think I have indicated now for the third time that we cannot change the rules as set out in our standing orders at this time, and if we are to commence estimates, it will be under the current standing orders. Perhaps we could soon move back to the issue of our commencement. Our two windows are Tuesday 25 June or Monday—

Mrs Haslam: Tuesday and Wednesday, as I recall.

The Chair: I am saying commencement. I am not going to list all the days in case we are given special consideration either to sit late or on the Thursday.

Mrs Marland: Mr Chairman, if I still have the floor-

The Chair: You have it back now.

Mrs Marland: I am dealing with the subcommittee report, the first item on the agenda. In that subcommittee report it deals with the seven and a half hour time allotment.

Mrs Haslam: On a point of order, Mr Chair: We have already passed that. That has already been voted on, so really we are not dealing with the subcommittee report because we have moved and accepted and voted on that and that is now set.

The Chair: It was not a necessary point of order. It was helpful, though, for you to bring up that point.

Mrs Haslam: Thank you.

The Chair: I would like to say that we have approved the seven and a half hours per ministry and the ministry selection. What we have not approved: We cannot report to the House until we give them the time. The report is silent on when we start. That is what I feel we must have, failing which I cannot proceed to the budget. I gave that direction some time ago and I would like for us, if we may, to focus on when we start.

I am going to rule now that we stay focused on the question of when we commence our estimates. Then we will proceed to our budget and then, under new business, we can revisit the issue of the need for us to engage some review of our processes. We really must report to the House tomorrow if we wish to have any examination of estimates done by the end of this calendar year. Now, Mrs Marland, would you like the floor back?

Mrs Marland: I cannot be bothered. This debate is so ridiculous. I want to make some constructive suggestions, a point of order is raised and—that is fine, just go ahead. Do what you want to do. I wanted to try to facilitate the work of the committee and if I am on my own, so be it. I do not make the suggestions.

Mr Johnson: Do not give up so easily.

The Chair: Perhaps if I put you in the Chair I could maybe contribute a little more helpfully than when I am in the Chair, but I am trying to stay to the agenda.

Mrs Marland: I was just going to say that you have identified that the standing orders say the first three participants may use up to 30 minutes. It might be interesting in

the course of the work of the committee to suggest to those first three participants that instead of up to 30 minutes they may use up to 20, which would mean that we still are an hour and twenty minutes out of the seven and a half hours right from the beginning. That was the only suggestion I was going to make.

The Chair: My point to you was that the time to raise that appropriate point would be under "Other Business." We can meet again to discuss other business as a committee but we have until the end of this week to report to the House, or else we have already made the decision that we will not be doing estimates until October, which means half of this year's estimates will have been spent before this committee ever gets into a room with a minister to discuss them. That was why I was stressing the importance of deciding when we start and leaving your positive suggestion for "Other Business." Ms Haslam, you wanted to comment?

Mrs Haslam: Your discourse has left me totally blank and speechless. Yes, I was just going to make a point of clarification.

The Chair: It does not work at home, I can tell you that.

Mrs Haslam: I want to make the point that in some cases the minister did not use up that time. There have been times, Margaret, when ministers came in and did not use up the time for a long discourse, so what you are suggesting did happen on occasions.

The Chair: Could I please ask members if we could decide when we are going to commence our estimates. I sense there are a lot of positive suggestions about how we might improve the system, but we have all summer to meet informally or formally to discuss how we will improve our estimates late this fall. I would like to know if this committee would like to meet in June. The clerk has already made a preliminary call to see if the minister is amenable but I would like the debate to be on whether we commence on Tuesday, 25 June or—

Mr Ferguson: So moved.

The Chair: Thank you, Mr Ferguson.

Mrs Haslam: I was trying to move it and you would not accept my—excuse me, you did not recognize him, Mr Chair.

Mr Daigeler: This is worse than in the House.

The Chair: We can have a motion, which I just heard from Mr Ferguson, that we report to the House tomorrow that we would like to begin with the estimates of the Ministry of Labour on the afternoon of Tuesday 25 June. Do I have a seconder for that motion? Mr Daigeler.

Mr Perruzza: I was keen on that September suggestion because I thought that would be far more appropriate in terms of our being able to look at actual expenditures. As you know, the budget has, on the insistence of your party, rightfully or wrongfully, been referred to one of the standing committees of the Legislature and will be marched across the province for public review. I always thought that was part of the estimates process, but I guess Mr Harris in his wisdom has seen it differently. He would

4 JUNE 1991 E-341

like to get input and essentially review the estimates within the budget in a public forum and so on. I think that process is going to sort of come together in late August and mid-September, and it would be far more appropriate for us to actually then sit down and look at the ministries and so on. I think we are putting the cart before the horse in this case. 1620

The Chair: I would like to recognize Hans, no pun intended.

**Mr Daigeler:** On a point of clarification, what is the motion that is on the floor?

The Chair: That we begin on Tuesday 25 June.

Mr Daigeler: I move that we vote.

The Chair: Calling the question is what you are really asking for. If that is the case, it is not debatable. All those in favour of calling the question, raise their hands? Those opposed? Does it have to be unanimous?

Clerk of the Committee: No.

The Chair: A majority?

Clerk of the Committee: Once the question is posed, you put the vote on the motion itself, which is, when do we begin?

The Chair: It is a simple majority, so the motion to call the question has passed. Therefore I am instructed to call the question.

All those in favour of the motion, please raise their hands.

Opposed, if any? Mr Daigeler. One.

Clerk of the Committee: Seven to one.

Motion agreed to.

The Chair: Now we have our commencement date. The clerk will prepare the appropriate report and motion for the House and it will be reported to the House tomorrow. In the interim, we will attempt to get hold of the House leader and/or the minister's office so that they are advised today that this is the committee's wish.

#### COMMITTEE BUDGET

**The Chair:** The next item is the budget.

Mr Daigeler: It is actually related to the budget, because if Mr Perruzza wants to meet during the break, he would have to make a motion to request that of the House leaders. As was indicated to you before, we do not have authority to sit during the break, but of course it can be requested. In my opinion, it is highly unlikely the House leaders would accede to that request, given the great number of committees that are already scheduled to sit over the summer. At least from my House leader, I know it is highly unlikely that he would agree to that kind of request.

Mr Perruzza: I would never put that kind of request forward, Mr Daigeler. I think you missed my point entirely.

The Chair: Would you like to be in Hansard, Mr Perruzza? Let's go through the Chair. Mr Daigeler has suggested that before we proceed with the budget, we should resolve whether we want to meet at all during this summer for any reason, and that is an obvious statement. Any discussion?

I would like someone to propose the budget, and then we can entertain why we should change it or modify it.

Mrs Haslam and Mr Ferguson move and second the budget.

**Mr Ferguson:** I just have one question. "Catering and hospitality," what would that relate to?

Clerk of the Committee: Your coffee and ginger ale and juices.

Mr Ferguson: Okay. Can we build air conditioning in here somewhere, Mr Chairman?

The Chair: The clerk has offered to walk us through this briefly, if you are willing. Let's do that quickly.

Clerk of the Committee: "Printing of documents" is the Xeroxing of any material the clerk provides for the committee, nothing more. "Publications" is if the committee requires some estimates books or public accounts books from other jurisdictions. "Catering," as I said, is the coffee, juices, Pepsi and tea. "Postage" is any letters to be addressed by the committee to any individual or group. "Long distance charges," is sometimes we have individuals calling our office and all of those calls are collect. That is all that is for.

"Transportation of goods" is courier services. If we have a special letter to be delivered, we use Purolator or a taxi or the messengers with their bikes. "Miscellaneous" is that sometimes we have some witnesses the committee wishes to have present and that could accommodate the mileage; in this case it would be kilometres. That is all.

Mr Ferguson: If the committee is to meet for approximately 100 hours at a total cost of \$6,200, that is about \$62 an hour. That is value for money in my book.

The Chair: Well stated. Any other questions regarding the budget? Comments?

Mr Perruzza: Mr Chairman, \$2,000 for "Catering and hospitality." How much coffee and pop does that buy?

Mr Johnson: Not much.

Mrs Haslam: Not much.

Clerk of the Committee: You will receive 30 cups of coffee per meeting and 5 to 10 tea bags. I usually bring about eight or nine juice bottles. That is twice a week and it does add up, strangely enough, especially with coffee when you consider you pay 50 to 60 cents. It is for the whole year.

Mr Perruzza: We pay 50 cents a coffee?

Mr Johnson: Pretty cheap.

The Chair: I just want to put back in perspective that our primary task is to examine the expenditures of a \$57-billion government expenditure. If we are going to devote very much committee time to 50-cent cups of coffee, I would certainly like to invite the Vice-Chair to sit in. Next question or comment? Failing which, I have a motion to approve the budget. All those in favour? Opposed, if any? Carried unanimously.

Motion agreed to.

#### OTHER BUSINESS

Mr Daigeler: Should we leave the clerk and you the flexibility, if the Minister of Labour is truly unable to come in in the last week, that we could start with the Minister of Industry and Trade?

Clerk of the Committee: Unfortunately, the standing orders do not permit you that movement. We must begin the way we have chosen the ministries. We have made a preliminary phone call to the minister and hopefully we will have an answer for you by tomorrow morning. I will pass that information to everyone by memo as soon as I can so that we know when we can meet.

Mrs Haslam: If I understand, there was some concern about having available simultaneous French translations of the some of the things, if there was allowed a flexibility in that. I would like to make that note. Apparently, there was some concern about the availability of that avenue.

The Chair: That matter was raised during the estimates of the Mines portion of the Ministry of Northern Development and Mines in our last go-around. A meeting of all committee Chairs and clerks was undertaken and we would be pleased to have our clerk report in written form what the current understanding is. If you want it verbally at the moment, he is prepared to share that with you.

Mrs Haslam: Sure.

Clerk of the Committee: What we usually do is to ask the minister if he has any statements in French. If he is going to have a statement, we will request through the government House leaders, all three leaders, if we could use room 151. If that is in use, we have a portable booth that we can use in any other committee. But we must know beforehand so that we can make arrangements for that facility to be utilized.

Mrs Haslam: I am not clear on this; it was just mentioned to me. I did not think it was about the translation. I thought it was about the translation of documents. I may be incorrect on that. I thought it was regarding the translation of documents and their availability in French.

The Chair: We are not empowered to refuse a document because it is in English only.

Mrs Haslam: Let me go back and doublecheck on that. I just wanted to leave some flexibility if that was the situation; that's all.

Clerk of the Committee: All the ministry briefing books are issued in French or English, and they are provided to me. If the members wish to have a copy in French, I can make that available to them. Are you actually saying if the minister's statements are to be in French and they require a translator?

Mrs Haslam: No, let me check into that. 1630

The Chair: That is what was raised at that meeting. It was raised subsequently at a meeting of all clerks and committee Chairs and we were given clarification. We will endeavour to notify all ministers that if they choose or wish to present any of their comments in French, they should give us notice. Failing which, if they could provide translation for the printed word, that would be helpful. We

cannot reject any presentation because it is in only one or the other of the two official government languages.

Mrs Haslam: I was not talking about rejection, but thank you.

The Chair: Okay. Is there any other business for the good of the committee?

Mrs Marland: I will place my motion and just see if it flies.

The Chair: Mrs Marland moves that there be a recommendation from the committee Chair to the spokespersons for the ministries appearing, in the order that has been established, before the estimates committee, and to the two opposition party critics that they would consider limiting their opening statements to a maximum of 20 minutes, although we recognize that the standing orders do permit up to 30 minutes.

Can I suggest, Mrs Marland, that this is for the ministers and their critics? Any discussion? This would be the Chair writing, but it would be on behalf of the committee. It would not be on behalf—

Interjection.

The Chair: The clerk is suggesting that it may be out of order. The Chair did not rule it out of order because it did not say that is what they would be met with. It was more, I thought, in the spirit that the committee was hopeful we would try to keep within 20 minutes, even though the standing orders—that is what I heard.

Mrs Marland: The words I used were that they would "consider limiting."

The Chair: That is why I ruled it was in order and was prepared to accept it. I have now been able to clarify to the clerk why I ruled that I felt it was in order. I wanted to make sure you were aware that it was not the Chair writing, that it was the committee that asked me to inform them that it felt it would be helpful if all three persons could limit each of their primary—

Mrs Marland: Could consider limiting their opening comments.

Mr Daigeler: I would like to speak to this motion. I appreciate the sentiment with which Mrs Marland put that forward. If we had the government in power for longer, I would probably share the sentiment, but I think especially at this point I look forward to a sort of global orientation statement by the different ministers as to where they want to go with their ministries. For most of them, this will be the first opportunity to make that kind of presentation and I do not think half an hour is an unreasonable request. The 10 minutes' difference will not really be that important. At this point I am prepared to give them 30 minutes. In fact, I hope they will take that time effectively to present what they are up to, and I am keen to hear that.

Mr Perruzza: I think Mrs Marland's suggestion is a good one. I think that the motion coming from her to you—I guess it would have to be endorsed by the committee—would be technically coming from the committee, signed by you. I think it is a good suggestion to both the ministers and the critics. I do not see anything wrong with it.

4 JUNE 1991

If we are going to be realistic, we are talking about 10 minutes, and certainly the ministers will take every opportunity in answering their questions to fill us in with all kinds of information on their ministries and their expenditures and that kind of thing. I think it is a great suggestion, and if the ministers listen to that suggestion and come in and speak for only 10 minutes or five minutes and then simply engage in questions and answers, I think that is an excellent form for the opposition parties, for the government party and for everyone here.

I would support Mrs Marland's initiative. Tying them down to half an hour: "You must come here and speak for half an hour whether you like it or not. Just get some filler into your speech," is just not appropriate.

Mr Daigeler: Nobody said that.

The Chair: Thank you, Mr Perruzza, but the standing orders clearly state that they may speak up to a maximum of 30 minutes. They are not required to fill the 30 minutes.

Mr Perruzza: Exactly. Recognizing that, it is a suggestion Mrs Marland is making, and she is making it in good spirit and I support her in it.

Mr Johnson: I have to say I disagree. I think it is clear in the standing orders that there are 30 minutes and they can take less if they want to. I do not want to deny them what exists at present in the standing orders. If they choose to take less time, so be it, and if they choose to speak for the full 30 minutes, then likewise so be it.

Mrs Haslam: I was just going to say exactly the same thing. I think the standing orders are right there. We have seen them come in with less time, and I would hate to see us change it for a few minutes here and a few minutes there. Then we are dealing with critics coming in to the committee from other parties. I think our standing orders are there and should be adhered to at this time.

The Chair: Okay. Everyone but Mr Wilson has had an opportunity to comment.

Mr G. Wilson: My views have been represented here. Although I realize that Mrs Marland just suggested a consideration, I think it is important that, even if that went forward, there be some opposition to it so it is not unanimous. But maybe it is going to be almost unanimous the other way, so that is part of the reason why I was not going to say anything.

**The Chair:** I would like to call the question. All those in favour of the motion please indicate. All those opposed?

Motion negatived.

The Chair: If the committee will permit me, I did not wish to comment on it, but the only area that I might have had difficulty with is that, in order for it to work fairly, all four commentaries should be somewhat similar. We as a committee and I as the Chair would be in a very awkward position if there were agreement, the minister begins with doing 20 and then someone takes 30, knowing full well that the standing orders permit them. I think Mrs Marland's rather appropriate suggestion might better find its way in a subsequent recommendation that we ask that the standing orders be revised.

Having said that, is there any other business for the committee?

Mr Daigeler: Adjournment.

The Chair: I think that was "adjournment" rather than "Mr Chairman," but I heard "adjournment." At least I wanted to, anyway.

Mr Daigeler: You are quite correct. That is what I said.

The committee adjourned at 1638.

#### CONTENTS

#### Tuesday 4 June 1991

Report of subcommittee	 .E-335
Committee budget	 .E-341
Other business	 .E-342
Adjournment	 .E-343

#### STANDING COMMITTEE ON ESTIMATES

Chair: Jackson, Cameron (Burlington South PC)
Vice-Chair: Marland, Margaret (Mississauga South PC)
Carr, Gary (Oakville South PC)
Daigeler, Hans (Nepean L)
Ferguson, Will (Kitchener NDP)
Haslam, Karen (Perth NDP)
Johnson, Paul R. (Prince Edward-Lennox-South Hastings NDP)
Lessard, Wayne (Windsor-Walkerville NDP)
McGuinty, Dalton (Ottawa South L)
McLeod, Lyn (Fort William L)
Perruzza, Anthony (Downsview NDP)
Wilson, Gary (Kingston and The Islands NDP)

Substitution: McClelland, Carman (Brampton North L) for Mrs McLeod

Clerk: Carrozza, Franco

Governmen



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# Legislative Assembly of Ontario

First Session, 35th Parliament

# Official Report of Debates (Hansard)

Tuesday 25 June 1991

# Standing committee on estimates

Organization

Ministry of Labour

# Assemblée législative de l'Ontario

Première session, 35e législature

## Journal des débats (Hansard)

Le mardi 25 juin 1991

# Comité permanent des budgets des dépenses

Organisation Ministère du Travail



Président : Cameron Jackson Greffier : Franco Carrozza

Chair: Cameron Jackson Clerk: Franco Carrozza





#### **Table of Contents**

Table of Contents for proceedings reported in this issue appears at the back, together with a list of committee members and other members taking part.

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#### LEGISLATIVE ASSEMBLY OF ONTARIO

#### STANDING COMMITTEE ON ESTIMATES

#### Tuesday 25 June 1991

The committee met at 1536 in committee room 2.

#### **ORGANIZATION**

The Chair: I call to order the standing committee on estimates. There are several agenda items we would like to take care of before we move into our first estimates. In fairness to the minister, if we could deal with these matters very briefly and bring them to a vote and resolution, it would be appreciated by the Chair.

The first item is before you in your agenda, the subcommittee report recommending that the committee meet during the summer recess for the three weeks of 12, 19 and 26 August to review the estimates. Could I have a mover for that, please?

Mr Daigeler: I will move that.

The Chair: Any discussion? Seeing none, I would like to call the question.

Motion agreed to.

The Chair: The second item is authorizing the Chair to write the House leaders and whips informing them of our request. Do I have a mover? Mrs Haslam. No discussion required.

Motion agreed to.

The Chair: Finally, the third item is that the committee approve a new 1991-92 budget that includes the anticipated expenses for the proposed request for three weeks of additional committee hearings. Do I have a mover? Mr Wilson. Any discussion? You have all had time to read the report.

Motion agreed to.

Mr Ferguson: Just on this, and perhaps this should have been said before we had the votes, I think there are some conflicts in that some of us, of course, sit on more than one committee. I am not sure how that is going to operate, given that a few committees are going to be travelling this summer. I think the request would be contingent on its being workable for all three parties to have at least a number of individuals available.

The Chair: I appreciate your comment. It will be presented to the House leader for the government and will be discussed by the three House leaders. It will have to be reported to and approved by the House by Thursday, so we will certainly have an answer by then. I suspect it is in their hands to look at the potential substitutions as well as to check on the availability of the ministers. The subcommittee was apprised that we would be completing precious few ministries during estimates unless we at least make the request. Otherwise we will not complete our estimates hearing process in accordance with the House rules as they now are structured.

Mr Ferguson: It was my understanding, after hearing from the Minister of Labour, that there is going to be a

discussion on the viability of this committee and whether or not it ought to continue in the future.

The Chair: I do not think it was on the viability and whether it should operate in the future. There is not a jurisdiction on the North American continent that operates without a committee like this in some form. It was on how we could improve it. But in the interest of our primary purpose for assembling today, perhaps we could revisit the point you have raised. Also, your subcommittee representative from your caucus will be pleased to discuss with you matters that she has raised on your behalf.

#### MINISTRY OF LABOUR

The Chair: Seeing no further discussion, I would like to proceed then to the next item on the agenda, which is to recognize that it is 3:40 and that we are welcoming the Minister of Labour, the Honourable Robert Mackenzie, to present his estimates for the 1991-92 year for the Ministry of Labour. I understand those are votes 2401 through 2407. In accordance with our standing orders, the minister has up to one half-hour to make an opening statement, followed by the official opposition, Liberal spokesperson for up to a half-hour, followed by the third-party, Conservative spokesperson. The minister reserves up to a half-hour for final summary commentaries.

Mr Offer: On a point of order, Mr Chairman: In the event that I or my party does not use the 30 minutes, for instance, if we use five minutes, are the remaining 25 minutes gone or does that in fact go to the tail end and allow for more questions to be posed?

The Chair: To answer your question directly, your time is gone unless you couch in advance how you wish to use your half-hour. If you were to inform the committee that you would like to take five minutes for a statement and use 25 minutes worth of questioning, the minister is quite amenable to that format, as would be the committee. It is not uncustomary for the critic, if I may so call you, to use his half-hour any way he sees fit. Is that helpful?

Mr Offer: For Hansard, yes.

The Chair: In terms of how the committee will order up its time, I would prefer if you let the minister commence and then, just prior to the summary commentary, the committee will discuss how we wish to proceed with rotation or whatever. But please, the minister has been kind enough to assemble several of his staff here and we would like to commence as quickly as possible.

I would state only one thing at this time, and that is that if any members of the standing committee on estimates know now of any specific personnel from the Ministry of Labour whom they would like to attend these estimates hearings, it would be most helpful and appreciated by the minister's staff if you could advise us of that fact. We will

be sitting today and tomorrow until 6 o'clock and it would be helpful for them to give notice to those employees you may wish to have here. That also would stand for any specific questions you want answers to. The sooner you can share those with the minister, the more helpful he can be.

Having said that, I would like to hand the floor over to the minister, who can introduce his deputy minister and proceed. Minister, you have half an hour to use as you please.

Hon Mr Mackenzie: First, I think most of you know George Thomson, who is the deputy minister and who is here with me. We will introduce the other staff people during the course of or just before I finish my remarks, so you will know who is here from the ministry at present. If there are specific sections you want to ask questions on, I would appreciate knowing it, certainly before tomorrow's session at least.

I am going to take advantage, probably not quite, of the half-hour, but before I begin my report on the estimates of my ministry, I would like to tell you it is indeed a pleasure to be sitting here as the Minister of Labour. I have been involved in the labour movement for many years as a worker, an organizer, as opposition critic and now as minister, and I can tell you it is quite a difference.

Through my experience I have learned that to have a productive and just labour climate you must have both equality and fairness. Labour and management must work together in a spirit of partnership and must have the necessary framework in place to do so. This sense of partnership and co-operation was put forward in the government's speech from the throne, and much of our activity since then reflects that commitment.

As the Minister of Labour, I am determined to create programs and legislation that will reshape the long-standing confrontational approach to labour-management relations. We must work together to maintain our position and standard of living in an increasingly competitive world today. Ontario is in the process of restructuring its economy and we must strive towards creating highly skilled, high-paying jobs for our workforce, and we must assist our workplace to develop the skills to perform those jobs.

At the same time, we cannot ignore the fact that Ontario is undergoing one of the worst recessions in its history. Plant closures are at an all-time high and many of them are permanent. Workers in every corner of the province are being hit hard. These people are looking to us for assistance in getting their lives back together and working productively again.

In his budget the Treasurer spoke of the need to integrate social and economic policies. People need to be assured of income stability and to know they can afford to live in our society. They also need to know there is a form of social security around them, that they will not be threatened every time change or innovation is suggested.

When I became the Minister of Labour last October, we were faced with the need to improve workplace standards and relations, and at the same time we had to come up with short-term solutions to assist those who were victims of the current recession. This year you will see that our budget estimates have increased from \$154 million

from the last fiscal year to almost \$356 million for 1991-92. Of this, \$175 million has been earmarked for the employee wage protection program. These are funds necessary if we are to provide the service and assistance both the workers and employers of this province need.

I would like to tell you something about my ministry's accomplishments and our plans for the future. Last November we introduced our parental leave package which was passed and proclaimed into law. It allows for unpaid leave for parents of newborn children and newly adopted children. We wanted to make sure parents could spend time with their newly born or newly adopted children without the fear of loss of their jobs, their seniority or other benefits.

Since the law was proclaimed on 10 December last year, the employment standards branch of my ministry has received 97,100 inquiries as of last Wednesday regarding parental leave. The amount of interest shown proves this was a most necessary piece of legislation.

In January I announced our five-point labour adjustment program to deal with the immediate needs of laid-off workers during the recession. This package provided \$32.5 million in various forms of assistance. We have greatly increased assistance to the joint labour-management adjustment committees set up in plant closures and layoffs that affect 50 or more workers. Funding for these committees has been increased from \$500,000 to more than \$7.5 million.

There was \$25 million in new funds allocated for programs for displaced workers, jointly administered by the ministries of Labour, Education, Colleges and Universities, Citizenship and Skills Development. These programs include literacy and basic skills training and assistance to laid-off apprentices, as well as the Ministry of Labour's help centres program and the Transitions program for older workers.

1550

The co-ordination of all provincial activities relating to assistance for laid-off workers is now administered through the office of labour adjustment at the Ministry of Labour. The office of labour adjustment is currently involved in the establishment and financing of over 100 plant-level adjustment committees, with a total ministry commitment exceeding \$2.8 million. As you can see, it has not taken long to take advantage of the labour adjustment funds we made available, and they are obviously needed with the plant closure climate we have. These committees ensure that the needs of laid-off workers are identified so that they can get assistance to look for new work.

The office of labour adjustment has hired an additional nine regional program advisers who will have hands-on involvement, along with their federal counterparts, working with the joint labour-management committees. Aside from its activities in plant closures, the office of labour adjustment also works with labour, management and the federal government on committees that address sector-wide issues.

One such committee consists of representatives from the United Steelworkers of America, the International Woodworkers of America, furniture manufacturers and both levels of government. Its primary purpose is to address human resource issues in the furniture industry. Another committee, again made up of representatives of labour, management and government, is analysing the impact of layoffs and closures in northern Ontario and exploring the feasibility of establishing a union venture capital corporation. We will also be establishing two more similar sector-based committees shortly, one for the food processing sector, and the other for the garment industry.

We have greatly increased funding to the help centre program, which supports 15 community-based centres for unemployed and underemployed workers. Each centre has had its annual allocation increased from \$90,000 to \$100,000. This funding is guaranteed for a three-year period. The help centres are independent agencies serving as drop-in facilities that bring assistance programs from various levels of government into the reach of local clients. They serve the general adult population, including the unemployed, the underemployed, career changers, immigrants, refugees and others requiring assistance. By maintaining independence, these help centres are able to reflect the particular needs of their own communities.

We have also provided an additional \$200,000 for the four help centres in Hamilton, London, Cambridge and Windsor to carry out innovative pilot and adjustment projects. These are specifically aimed at helping workers who are affected by smaller plant closures, which are not normally served by an adjustment committee.

Another six centres have received a total of \$150,000 for a special initiatives fund to develop tools and resources related to vocational counselling for adults. The results of these projects will be shared with other community-based agencies.

We have more than doubled the funding to the Transitions program, which assists laid-off workers over age 45. The program for older worker adjustment, POWA, is another program administered with our federal counterparts. We want to offer more assistance to older workers who are laid off, and we are in the process of re-examining the criteria of the program. We are currently working with the federal government and other provinces on a comprehensive review of the POWA program.

By increasing the funding for these kinds of labour adjustment programs, we now have the people and the ability to respond in many more layoff and closure situations than when I took over as minister.

The fourth and perhaps most important element of our labour adjustment package is the employee wage protection program. The Premier announced this program last October, and it was also part of the speech from the throne.

As I mentioned in the House last week, the employee wage protection program is a most necessary piece of legislation, even more so in the current economic situation. The main thrust and purpose of the legislation is to help workers recover wages that are owing them when their employer goes bankrupt, becomes insolvent or does not pay due to other circumstances. It provides the statutory mechanism to allow workers to collect money that they have worked for in good faith and are unable to recover through other means.

Since the employee wage protection program was announced last October, over 13,000 workers have filed

claims with the employment standards branch of my ministry, asking for assistance in recovering wages owed them.

After the introduction of Bill 70 to establish the employee wage protection program, many groups and individuals, including members of this House, expressed concerns regarding some of the sections, specifically those outlining the liabilities of officers of companies and volunteer directors of not-for-profit corporations. We listened to these concerns, and we acted. We will be introducing amendments removing the liability provisions for officers of companies. We will be limiting directors' liability to the maximum of wage debt equivalent to six months' wages and up to 12 months' accrued vacation pay that comes due only during their term of directorship. Although I believe that the other amendments will sufficiently allay the concerns expressed by all directors, I put forward an exemption for volunteer directors in the not-for-profit sector to reassure the people working in a volunteer capacity.

Bill 70 has now been sent to the standing committee on resources development for hearings and clause-by-clause debate.

The fifth point of our labour adjustment package had to do with amendments to the Employment Standards Act regarding reforms of the termination of employment provisions. This was also a commitment made by our government in the speech from the throne, and is a priority area.

Consultations have taken place with over 60 labour, business, community and other interest groups. We are now looking at options for changing the notice and severance pay provisions of the Employment Standards Act. Once the best course of action is clear, I will be going to cabinet for approval for these changes.

The most recent piece of legislation we brought before the House was amendments to the Employment Standards Act relating to a common pause day. Once passed, these amendments will give retail workers the absolute right to refuse Sunday and holiday work. Workers do not have to give any reason for their refusal. In addition, employment standards officers will be authorized to issue orders on the spot for compensation and/or reinstatement where employers take action against workers who seek to exercise their rights.

The government has clearly stated its support for a common pause day on many occasions, including in the speech from the throne. I feel that these amendments, in conjunction with the Retail Business Holidays Act, will ensure retail workers their right to a common pause day.

We have also made progress in occupational health and safety. Bill 208 was proclaimed in January and is now in effect in the workplace. The Workplace Health and Safety Agency was also created by the act, and has been in operation since last fall. The agency's bipartite makeup has been working well, with both labour and management representatives reaching consensus on most issues. Bipartite participation is a cornerstone of Bill 208, designed to promote the partnership between employers and employees both through the establishment of joint health and safety committees in the workplace and in the Workplace Health and Safety Agency.

At this time, the agency is in the process of setting up standards for health and safety education. The number one priority is to develop the process through which workplace joint committee health and safety committee members become certified. At present, a subcommittee on certification is discussing training modules and will soon be bringing proposals before the board.

Workplace health and safety is a major commitment of this government. The Ministry of Labour has received permission to hire an additional 83 inspectors. This hiring will be completed by the end of this fiscal year, and it represents an increase of over 25% from the number of inspectors for the enforcement of Bill 208 provisions.

The primary function of Bill 208 is to establish joint labour-management health and safety committees to institute safe work practices in their workplaces. We strongly believe that this is the best approach to ensure that worker health and safety is not in danger. However, if we see that this approach is failing, we do have recourse to an increased staff of inspectors and strict enforcement.

Health and safety is an area where we must exercise vigilance, and I am committed to maintaining a high priority on these programs.

In addition to getting Bill 208 up and running, we have also passed two sets of regulations concerning the health and safety of firefighters and construction workers. The firefighter's regulation requires that firefighters battling interior structural blazes will be provided with the safer protective coat and trousers of the improved bunker type.

1600

The construction regulations strengthen the protection of workers from falls from heights, trench cave-ins, electrocution and the improper use of cranes, and improve hygiene conditions on the work site.

The Ministry of Labour is also working on establishing new health and safety regulations for workers in health care facilities, and I hope to be able to announce them in the near future.

These are the key points on our accomplishments on the labour front during our short period of government.

I would like to turn now to measures that we are reviewing and consulting on. Just before I leave that, if I can digress for just a moment, we have new health and safety committees in the workplace being set up at a rapid pace. We anticipate 20,000 to 40,000 additional committees. It is one of the reasons for the major expenditure in terms of health and safety inspectors.

It is the way we have had to go in that part of the fight. When I was in opposition, as many people around this room will remember, it was the absolute right of the workers themselves to make the decisions in the workplace. Many of us favoured that approach. It is not the approach that was in the Bill 208 legislation, although we certainly made some gains in terms of the health and safety agency. We will see whether we can work it, and work it with the inspection facilities we have. That, I think, will be one of the major tests of the Bill 208 health and safety legislation.

As mentioned in the speech from the throne, we are pledged to increase the minimum wage to 60% of the average wage over the next five years. The government is also reviewing various means of providing assistance to the

working poor, and we are committed to a substantial increase in the minimum wage as part of this effort.

During May we consulted with several business, labour and community groups regarding the next increases in the minimum wage. I will be making an announcement regarding this shortly.

On 18 December I announced new measures that would broaden the scope of the Pay Equity Act, 1987. The benefits of pay equity would be extended to women in the private sector and the public sector where there are only a few male job class comparisons, and to women in the public sector where there are no job comparisons. To date we have released a paper and have undertaken public consultations on how to extend the benefits of the act in the public sector where there are no male job comparisons.

The government remains committed to addressing the wage gap. However, pay equity legislation may not be the only vehicle. We are currently examining various other alternatives to providing equitable wages.

In December I also announced that the government would fund a pay equity legal clinic to help women, especially non-unionized women, assert pay equity claims. An interim clinic has now been set up by Parkdale Community Legal Services in Toronto until the new pay equity clinic opens on 1 September.

The government is also committed to assisting public sector employers to meet their pay equity obligations. The Treasurer has announced that approximately \$125 million has been allocated to meet our commitment in 1991.

The Ministry of Labour is currently involved in longrange ongoing consultations on two major pieces of legislation, he Employment Standards Act and the Ontario Labour Relations Act.

Over the years the Employment Standards Act has undergone periodic updating, but we believe a comprehensive review is needed. However, before we begin to think of any changes to the act, we intend to release a green paper before any specific consultation process is initiated. We are also in the process of reviewing the Ontario Labour Relations Act, with the aim of amending it to reflect today's workplace climate. The act has not had any significant review or change since 1975.

The government stated in the speech from the throne that one of our goals is making it easier for workers in the province to organize so they can work in partnership and co-operation with industry. For far too long labour-management relations in this province have been plagued by antagonism and confrontation. We believe business works best in a creative and productive partnership with labour.

At the same time, I wish to assure you that this government is aware of the need to maintain a healthy, viable and productive economy in Ontario, and as a result we are very carefully assessing the impact of the legislative proposals on employers and the economy as a whole. Reform of an act as important as the Labour Relations Act is a long and intensive process, and it is a task that deserves much consideration and deserves to be carried out responsibly.

The Ministry of Labour struck an external committee of labour law experts—three management and three labour, chaired by Kevin Burkett—who put forward two reports

outlining labour and management opinions and suggestions for reform. We plan a more detailed consultative process for later in the summer.

The largest agency in the Labour portfolio is the Workers' Compensation Board. Improving service at the WCB is a big administrative challenge. Last year the workers' compensation system paid out \$2 billion in benefits. This included temporary compensation, workers' pensions, rehabilitation, Bill 162 payments and survivors' benefits. Both workers and employers have long complained about the poor service delivered by the board in claims and adjudication, and I have told senior officials at the WCB that improving service must be their highest priority.

As a first step we named a new chair, Odoardo Di Santo, and a new vice-chair, Brian King. Both Mr Di Santo and Mr King have agreed that improving client service was to be their immediate priority. The standing committee on resources development has completed public hearings on WCB service delivery and I am looking forward to receiving that report. Senior board officials are reporting to me on a regular basis and I expect to see visible improvement in service delivery shortly.

I have now identified the major policy developments that we have taken since last October. The ministry has, in the past, seen itself primarily as a lawmaker and enforcer. We know, however, that to effect positive change in the workplace it is essential that people know and understand their rights and responsibilities. Yet laws are written in very precise legal language and it is sometimes difficult for laypeople to understand them.

In May, the ministry finally launched Working in Ontario, a project that was five years in the making. Working in Ontario was a joint effort between my ministry, the Ministry of Citizenship and the women's directorate. It is a plain-language guide to workplace laws in Ontario, and aside from English and French it is also available in Chinese, Greek, Italian and Portuguese. We are also producing it on an audio cassette. Furthermore, we have sponsored training and outreach activities in different languages to enable community leaders to further disseminate the information Working in Ontario. I might also say that the book has received very good acclaim and is much in demand.

We are also in the process of renewing and decentralizing the administrative structure of the Ministry of Labour. As of 1 July, the ministry will change the way it does business in order to provide better service to the public, both workers and employers. Significantly more operational and decision-making authority will be given to officers in a new field structure of six geographical areas and 13 district offices. These will be supported by a network of satellite offices. In addition, we will integrate our management structure, placing all branches in a region under one roof and eliminating the need for the public to go to different offices for different problems. With these changes, clients of the ministry will find it easier to get the services they need, the services their taxes pay for.

I want to thank you for your attention. This concludes my report to this committee and we will answer the questions as they come up. The Chair: Thank you very much, minister. That was a little under your half-hour. Well done. Mr Offer, it will be our intention to recognize you next. How would you like to proceed?

**Mr Offer:** Thank you very much, Mr Chair. I would also make a few opening comments. I do not know whether I will be using the full 30 minutes and certainly I would reserve our right to use the remainder in whichever way we think best at the end of my opening remarks.

Also, I understand it is permissible for us during the currency of these estimates to indicate our intent to provide written questions to the minister for response at a future time. I understand that to be a legitimate use of this committee and I would like to get your acknowledgement of that.

The Chair: Yes. The minister or his deputy can confirm that any written questions submitted during the estimates time he would endeavour to respond to. He would have to put that on the record.

#### 1610

**Hon Mr Mackenzie:** I have no difficulty, if we are able to. It depends on the difficulty of the question whether you will get an answer tomorrow or not.

Mr Offer: I understand that. Thank you very much for that.

I would certainly like to first thank the minister for the opening comments. They do shed some light on some of the initiatives currently being undertaken by the minister and his ministry in a variety of matters.

I look to the fifth paragraph of the minister's opening comments. He talks about the necessity to "reshape the long-standing confrontational approach to labour-management relations." I bring light to this area in that since I have been appointed as our party's Labour critic a number of businesses and individuals have been concerned, and I put this on the record, about their ability to make their concerns on any initiative known to the ministry.

There is a concern that the type of consultation, which I hope the minister does truly believe in, is one which a lot of people do not feel is in fact happening in the broadest sense. So some of my questions in these estimates will certainly revolve around the scope of consultation and the intent of the minister for future consultation. That is important when those particular groups respond to me, and I am sure they have also responded to the minister, to all members, in terms of the degree of consultation. We can then hark back to this particular committee and say, "The minister has said that on this particular issue this is the consultative process that will be undertaken."

Minister, there are a number of individuals who are concerned. I state that just as a matter of providing information to you. They are concerned in terms of their ability to take part in a consultative process. You will be aware of that type of information. It is something I have brought up in the House on occasion. I think it is necessary at this time, especially at this time as we are just breaking for the summer recess, to get some fair degree of certainty as to the form, shape and content of the consultation which you will be undertaking in a variety of areas.

The budget for the ministry, as the estimates book reveals, is going to be increasing by 130%, from \$154 million to \$355 million. We recognize that much if not all of this increase is due to the wage protection fund, where I think there has been a dedication of \$175 million for startup allocation and associated administration. As such, we also recognize that there are some branch budgets which have been frozen or indeed are declining. However, the ministry administration has increased by 10.2% in the estimates. We will be giving notice of some questions as to why the ministry administration funding has increased more than most other areas as identified in the estimates. In fact, in other branches there has been either a freezing or a decline in the type of funding available.

I also note that under vote 2402, the funding for the office of mediation and the office of collective bargaining information has declined by 0.4% and 5.9% respectively. As well, the office of arbitration has increased only 1.5%. The minister will be aware that these branches provide typical and important assistance in helping to resolve private sector labour disputes. However, under the same vote, the funding for the Public Service Appeals Board, which is responsible for resolving Ontario civil service contracts, has increased by 16.7%. So I indicate by notice that we will be asking you why funding for resolving the Ontario civil service contracts has increased while funding for the private sector contract resolutions has decreased.

We believe these are important not only as questions to pose but as responses to be obtained. We will also, in that particular area, be asking why the program administration funding under the industrial relations division of the ministry has increased more than the services offered in other divisions and other branches of the division.

I want to move on to some other areas. The minister alluded in his opening comments to the minimum wage, and that is an area I think all members have received comments on, if not concerns about. That has to do with a very specific promise made in the Agenda for People. It has been reiterated by the minister in response to a question from myself last November that indeed it is your position that the minimum wage of this province will be increased to 60% of the average industrial wage. That would result in a minimum wage for this year of approximately \$7.20. If we have a moderate, almost conservative—but I will use the word moderate—rate of inflation, in four or five years we would have a minimum wage in the area of \$9.15 per hour.

My question to the minister is, will you be increasing the minimum wage of this province to 60% of the average industrial wage this year, meaning to \$7.20 approximately, or not? And if so, when will that announcement take place? I think that has been the subject of some discussion and I recognize that—I think it was just last week—there was a report prepared by the policy and economic analysis program at the Institute for Policy Analysis at the University of Toronto. I had occasion to look through that particular report last week, and that report spoke to the impact of the minimum wage on unemployment, particularly for women and youth. The study concluded that the proposed increase in the minimum wage would lead to a 1% increase in the overall unemployment rate. In fact, according to their report,

some 53,000 jobs would be lost, with a disproportionate impact on women and youth.

So on this particular issue, I would be posing these questions to the minister: Will you be increasing the minimum wage? When will you be increasing the minimum wage? When will the increase of the minimum wage take effect? How much will the minimum wage of this province be in terms of the coming announcement?

I also think it is important that we ask you whether you have conducted any studies as to the impact of an increase of minimum wage on employment or unemployment, as the case may be, especially in terms of youth and women. We would like to know if there are any studies which your ministry has undertaken and if you might be able to share some of the findings of those with us.

If I might move to the area of pay equity, you have spoken about that in your opening comments. I recognize that last December you did bring forward a policy dealing with pay equity, stating that it would extend through the proportional value comparisons for the public and private sector employees and the proxy value comparisons for the public sector employees.

A discussion paper in that area was circulated. We all very much appreciate being given that discussion paper to look through. However, you will know that even when one incorporates the proxy and proportional value comparisons, there are still well over 100,000 women working in the private sector for firms with less than 10 employees who would be left out.

The question that naturally comes to mind is, will you be extending pay equity, by whatever comparison, so that all women will in fact be in the plan? You recognize, Minister, that this is a very specific commitment made by your party. What we want to find out is not only what are the plans to incorporate the discussion paper into legislative form, but second, what about all of the women who are still left out of the pay equity framework? Third, I think your timetable for action is an area which we are going to have to investigate in some depth.

I am not certain how much time is left, but I am sure the clerk will be able to tell me probably to the second.

I want to talk about the wage protection fund. The minister will probably have already heard from his colleagues on the standing committee on resources development that Bill 70, though having public hearings for three days, will not be subject to any hearings through travel. I think that is a mistake. I think that is necessary, even in light of the amendments you have indicated you will move. It is still a mistake that we are not travelling throughout the province to hear the comments and concerns of individuals in other areas of the province who do have some opinion on this. But that being the case, I recognize, and I know the minister recognizes, how committees work—the vote is the vote.

I and my party did speak in that committee, Minister, for your information, very much in favour of not only the public hearings but also that there be travel. We think that is very important and we are very disappointed that the members of the committee did not see fit to take this bill to other areas in the province.

25 JUNE 1991

I do not speak about the amendments, because during the committee there will be opportunity to move the amendments, as you have indicated that you will, as well as additional amendments. We will await some of those hearings.

However, one of the concerns that is still rearing its head is, what about the funding? We recognize where the initial funding is coming from, but this is a bill—and I think the minister has been very clear—which will not disappear, for instance, after the recession. It is going to be with us for all time. We would like to hear in some fairly definite ways who is going to pay for the continued operation of the bill after the initial year it has been budgeted for out of the consolidated revenue fund. In other words, can we get a commitment as to whether there has been any ruling out of a payroll tax or any other tax measure which will provide the funding for this particular bill and whether there are any other new taxes contemplated to cover the long-term cost of this particular legislation?

We recognize that the statement was made in October and the wage protection fund has been retroactive to the date of the statement. I would also like to ask how the ministry has kept in touch with those employees. What have you done to make certain that when the bill does become law, in whatever form, you will be able to get in touch with the people who have previously contacted you through, as I think you have indicated in your opening statement, one of the worst recessions since the 1930s. These are areas which we will certainly want to explore in some detail with you.

The next point I wanted to bring forward is that dealing with the Employment Standards Act and some of the changes that are contemplated. I made a note about a green paper which you expect to be available. Again, I harken back to the first things I spoke about in terms of consultation. I wonder if you will share with us the type of consultation that is currently revolving around the Employment Standards Act, some of the areas that are under investigation. Is the investigation limited to particular aspects under the ESA or is it in fact the whole ESA? If it is parts of it, then what are the parts? What type of consultation is being undertaken? Who is being invited to speak? How long do you expect the time frame for consultation to extend? Matters of that nature.

I would also like to talk about the Labour Relations Act reforms. This is one where I speak not to the substance of the contemplated changes but rather, in a very concerned way, about the process. The minister will know that the Burkett report had, I believe, 30 areas of investigation. Its consultative process lasted 30 days and the areas it was investigating were without doubt, I am sure the minister will agree, as all members will, very complex. They were areas which carried with them a great degree of impact. A number of people have shared with me their concerns that this type of consultation, in that period of time, was clearly insufficient in terms of the subject matter of the report.

In fact, I recognize that the Burkett report really took on a report A and a report B, one from labour and one from management. There was no meeting of the minds on any of the issues. I would like to share with you, first, the very deep concern as to the process of consultation. I posed a question to you in the Legislature—I cannot recall the exact date, but it was certainly within the last six weeks—expressing this type of concern. Though I do not have Hansard in front of me, I believe your response was that the legislation will be introduced in the fall and there will be ample time for public input.

E-351

#### 1630

The concern I have heard is that just is not sufficient. Many people want to input prior to the introduction of legislation. They want to have the opportunity to shape the principles and the direction the legislation is going to take. Once legislation has been drafted and gone through all the cabinet committees and all of those things, it is along its way. So many people want to get a very clear commitment from you, Minister, that the Burkett committee was not the end of consultation prior to the introduction of legislation. What they would like to receive from you, and I will be asking you this question, is the form that consultation over the summer will take on these reforms as a result of the Burkett report. Will there be consultation? What form of consultation will take place? How will people be notified? Who will be notified? What is your timetable in that area? Those are some of the questions I will be asking. In fact, I guess it is too late—I have already posed them.

I would like to question the whole area of decentralization. What is the status of the decentralization? How many employees will be affected? How many employees have been identified as intending to move? Are there job counselling and placement programs in effect for displaced workers? What is the current estimate of the cost for such a move and the current timetable for the components of the move?

We think this estimates process is very valuable in receiving this type of information. We hope the minister will be clear in response on consultation and timetable in terms of future changes to the minimum wage, the Employment Standards Act, the Labour Relations Act and matters of this nature.

In closing my opening comments, I basically end as I began. There is very grave concern about the degree, the scope and the breadth of consultation undertaken by yourself and your ministry in terms of these initiatives. One does not comment or pass judgement on the substance of the initiatives. We will await the outcome with regard to that. But there are many people who have concern as to being part of decisions which they see will impact on them, their business and their ability to expand, others in terms of creation in this province, and we all know what that means in terms of jobs, which is one we all share.

In conclusion, I do hope that in this process we will get a very clear direction and understanding as to the consultation and as a result hopefully be able to minimize some of the growing concern throughout the province. Those are my initial comments.

The Chair: I would like to inform the committee that in spite of our regular rotation, I have been approached by the critic for the Progressive Conservative Party, who has a severe bout of laryngitis. With the committee's indulgence and with prior discussion with the minister, we will yield that time at the moment, if it is agreeable. If Ms Witmer's

voice returns tomorrow, we will proceed and the minister would then be given the opportunity to do his summary comments. That is what the Chair proposes. Is there any objection?

Mr Ferguson: If Mrs Witmer has laryngitis, we would be delighted to hear from her today.

The Chair: Is there any other input?

Hon Mr Mackenzie: It is entirely up to the committee, but I have no difficulty at all with it.

**Mr Ferguson:** Does that mean the minister can come back another day?

The Chair: He is coming tomorrow anyway.

Mr Ferguson: Okay. The same time? The Chair: Are you coming tomorrow?

Mr Ferguson: I will be here.

The Chair: Then we are going to do just fine.

At this point, the committee generally orders up the format it is comfortable operating with. I am open to a brief discussion but, failing that, I will begin receiving questions as people wish to be identified.

Mr Daigeler: On the format, perhaps you could explain a little bit, for those who were not here before, about what we used in the last round of estimates and whether we are going to use the same format or not.

The Chair: There is a range of options which can be used. I am in the hands of the committee. If you would like me to explain ways that the committee can operate, there are about—

Mr Daigeler: During the winter break, what we did basically was to allocate each caucus 15 minutes, I think it was, and then went in rotation. Each caucus had 15 minutes to ask questions and then went on to the next caucus, until we finished the whole seven hours.

The Chair: That is one method. The other method which has been utilized is simply having the Chair recognize those who wish to raise questions, and hopefully we will keep them within the varied votes if they can assist in identifying it. But I am in the hands of the committee.

Mr Ferguson: In the interest of fairness, perhaps you could start by dividing up the time so everybody gets an equal amount. Then of course, after a set period of time—and I do not think there is any magic to 15 or 30 minutes—perhaps we can just go in rotation.

Mrs Marland: There is no question that the time has to be equally divided. That is the whole process. As long as it works out evenly at the end of the seven and a half hours per ministry, I am happy to go along with however you and the clerk can divide that equitably.

Mr Daigeler: Do you have a stopwatch?

The Chair: Just to be completely accurate, our standing orders do not call for that as the process. This was something devised in the last session, but certainly committees are not structured according to time allocation once we begin estimates. I would not want to convey that that is the required norm. I am in your hands, but for the clarity of the record, we can go in a variety of ways. That was just a clarification. It was not to redirect.

Mr Ferguson: Do you want a motion?

The Chair: I am hearing no other suggestion, other than that we go by time allocation. If that be the case, we will proceed on that basis.

Mrs Witmer: Are you suggesting that we go vote by vote?

The Chair: We will stack the votes if that is the request, but it is sometimes easier for everyone if we identify the area of the vote which we are raising questions about. But we will stack the votes unless I hear otherwise, so we will vote at the very end.

Mrs Witmer: Are you going section by section? For example, vote 2401, administration, first? Or are you dealing with the entire estimates book?

Mr Daigeler: We can do whatever we want.

The Chair: What I said earlier was that it would helpful if you identified the section on which you are asking the question, but I am open to being directed if you would like us to proceed by vote. If we stack them, I must warn you that we will not complete the seven and a half hours before we rise on Thursday. We would only, with luck, get five of the seven and a half hours completed. If you wish to get certain votes completed, that is fine. But I am again in your hands.

1640

Mr Offer: I think maybe we should commence with the questioning in 15-minute blocks and just rotate. At the end of tomorrow, I think all we are concerned about is that every caucus get the same amount of time to pose the questions. By going in 15-minute blocks, starting shortly, we can start off with the question and save the votes to the end.

The Chair: Shortly would be right now. Are you ready to proceed with your first 15-minute allocation?

Mr Offer: I think we are.

The Chair: The Chair recognizes the official opposition.

Mr Offer: By way of a first question, Minister, in my opening remarks a number of questions were posed. I noticed you were taking notes. I do not think they necessarily have to be restated, but I hope that in your 30-minute wrapup those that we have not had opportunity to specifically restate would be the subject matter of your response.

Hon Mr Mackenzie: If I can just respond to that one for a moment, we were prepared to respond to most of them but some of them will take a little bit of checking. I can do that all in one batch when I respond, or—

**Mr** Offer: Just by way of process, I guess after Mrs Witmer finishes her 30 minutes, then you would have your 30 minutes, however it works.

In terms of the question posed on minimum wage, I would like to specifically ask whether, as per your commitment, it remains that the minimum wage in this province will be increased to 60% of the average industrial wage and that the minimum wage of this province in this year will be 60% of the average industrial wage of the province this year. When will that announcement take place?

Hon Mr Mackenzie: First, I should tell you that it is not the average industrial wage any more. Part of the

consultation—and I ask my staff to correct me if I am wrong on this—concerned the method of how we decide what the hours are and what you are taking 60% of. We actually based it on an old bill of mine that allowed for 44 hours, so the figure is probably a little lower than it would have been if we had—they do not currently keep an average industrial wage in Ontario.

Mr Thomson: If I can just add to that, there is a figure for the average weekly industrial wage. The question then becomes what you divide that by. We have been using the cutoff point where you enter into overtime rules as the line, the amount to divide into the average weekly wage, and that is 44 hours.

Hon Mr Mackenzie: I raise that only to point out that it is not quite correct to use the average industrial wage figure. That is the only purpose of that part of the response. The other part of the question—

Mr Offer: Let me put all of that aside. There is a stated commitment that it would be 60% of—and I am not going to get into the term because you are just going to find a way to distinguish it—but no matter what, 60% of the term would be probably in the \$7 or \$7.20 range, or would you share with me what 60% of whatever the term is will be, in dollars and cents?

Second, is that what the minimum wage is going to be this year?

Hon Mr Mackenzie: I can tell you that the commitment we made was to do it over five years, so it will not be 60% this year. That would be somewhere around \$7.20, as near as we can tell, and that certainly will not be the minimum wage in the first year.

The Chair: You are doing fine.

Hon Mr Mackenzie: I have not made the announcement of it in the House. I am not going to tell you what the figure is.

Mrs McLeod: I am going to move to another area, although I think I will frequently want to return to the issue of minimum wage, as others of us may, over the course of the estimates.

One of the issues you raised in your opening remarks that I would like to come back to now is the question of the efficiency and effectiveness of the service of the Workers' Compensation Board. At the time the new legislation was introduced there was a commitment to undertake a review of the effectiveness of service at the WCB. If I recall correctly, it was with a particular emphasis on northern Ontario.

I would be interested in knowing whether that review has been carried out, whether it is complete, and whether it is possible to share with us some of the findings. I also have a particular interest in knowing the rate of appeals to the Workers' Compensation Appeals Tribunal since the new legislation was introduced and, if it is possible, in knowing how many of those appeals related to worker concern about refusal of work that was deemed to be available and appropriate.

Hon Mr Mackenzie: I can only give you a bit of an answer now, and we will try to get some further information,

maybe for tomorrow, on that. I do not directly run, as you know, the WCB. It answers to me and we meet with them on a monthly basis.

There is a green paper process going on in terms of changes that are needed to the act. Some of the questions you are raising will probably be answered or discussed, of course, in the green paper discussions or consultations. We have also been giving the new chairman and vice-chairman of the board time—and they have some ideas of their own which they have put forward as well—to come up with some of the ways that they would like to deal with some of the problems.

That is not a good enough answer, I know, and there may be staff people of mine that would respond further, but we may have to get some of the answers from the board as well.

Mr Thomson: I can add to that. We can give you tomorrow the appeal rate since Bill 162 was passed. Concerning the issue of appeals relating to refusal of appropriate work, my understanding is that this part of the bill has only been enforced for a fairly short period of time. I do not think there has been much business, if any, at the Workers' Compensation Appeals Tribunal on that issue, but I will find that out.

I am not aware what commitments were made when Bill 162 was before the House with respect to reviews of service, but I can find that out. I know there have been some internal reviews of service which are ongoing and I think we can have the board provide those to you as well.

Mrs McLeod: My recollection may be faulty, but I thought it was a very public commitment to review and that the review was actually ongoing. I would appreciate your following that up.

It seems to me also that one of the central issues when Bill 162 was introduced, in terms of the next steps, was a regulatory definition of the term "deemed suitable." I am not sure whether those regulations had been completed and, if they had, whether those could be tabled for us.

Hon Mr Mackenzie: To my understanding, they have developed policy on it, but I do not think they have the wording yet.

There were two areas that have been the most controversial, other than the straight service delivery area. There has been older workers' pensions, and that has some difficulties because it is a very expensive item as well, and there has been the deeming issue you raised. Those are two of the major items before the board. The board also is asked to make some suggestions of its own in this area, and of course there are others that have been feeding information in on it on a regular basis.

Mr Thomson: The board has developed a policy position on the deeming issue and we can make that available to you. My understanding is that they have not reduced that to a regulation at this point. I think they are implementing the policy and determining how it works as part of the process of determining what, on an ongoing, permanent basis, that policy ought to be.

Mrs McLeod: Is that not subject to government regulation, the deeming clause?

Mr Thomson: It is dealt with in the act. There is not, as far as I know, a requirement that it be dealt with in regulation, although the board has power to propose regulations in any area covered by the act. Generally their practice has been to do it by way of policy development, not regulation, although they have been developing some regulations in relation to some parts of Bill 162 and they have a bipartite committee that is making recommendations with respect to regulations.

Mrs McLeod: I think I will pass on that. I am anxious to have the information because I know all of us made personal as well as political commitments to follow through on some of the concerns. It would be good for us to have the direct information.

Hon Mr Mackenzie: There are very few items that have brought as much mail or as much concern as WCB questions.

#### 1650

Mr Daigeler: I would like to ask a rather general question first because I think we have some time to go into the details. It relates to the basic philosophy of the Ministry of Labour, and perhaps it applies to the previous Minister of Labour.

You indicated in your statement, quite frankly with good reason, that you have been a labour advocate over many years, that you have been working very hard—and I certainly can attest to that—in the interest of the workers. You are now the minister and obviously you wish to implement some of the things for which you have been fighting for many years.

On the other hand, I have just come back from our budget tour in eastern Ontario. We were talking to many business people, small business people for the most part. They are very, very concerned about not just your own initiatives but about what is happening to the business community through all levels of government, and in particular what they perceive to be an attack on the entrepreneurial spirit. They say: "Is it still worth it for us to create jobs? We're getting taxed to the hilt, and this regulation and that regulation. Why should we go through the hassle? It is better to become a government employee or whatever."

How do you see your role and the role of the Ministry of Labour in this whole question? Is your ministry strictly an advocate for the employees, the working group in society? How do you see your role as Minister of Labour with regard to the employers and job creation? How is your relationship to the Ministry of Industry, Trade and Technology? Who within the government is advocating, as it were, for the employer? There were many who came to us and said: "Well, who's speaking for me? Who's protecting my rights?" Do you see that as part of your portfolio as well?

It is a bit of a philosophical question, but I think an extremely important one, because to some extent there is a mood out there that is not very good for the economic future of this province. Even though I am in opposition and ultimately if the mood stays sour it may be good for us, I still think it would be bad for the people. Therefore, I would like you to address that question and share with us how you see your role in that interrelationship between

support for the business community and support for the workers.

Hon Mr Mackenzie: I have no difficulty with the question. Whether my answer, which probably would be a little bit philosophical as well, will satisfy you, I cannot tell you. I can tell you that in anything I do, there is no attack on the entrepreneurial spirit. I would like to see more of it in the province and in the country. But I would also like to see very much more of a partnership arrangement.

The confrontational mode—and I understand it; I came out of it myself as an active trade unionist for a good many years—has probably been what has built the trade union movement side of our province and our economy into the force it is. It was the only tactic that really seemed to be

effective for a good many years.

Many people, many of the leaders in the trade movement union and others who have left it in recent years, have recognized for some time that we have an entirely different world out there in terms of trading patterns. Whether we bitterly opposed free trade or not, the fact is that it is now with us and that it may very well be extended. We also know there is a corporate world out there—I am not talking so much about the small business community—that is bigger than governments in many, many cases and that can move plants and capital around the world. It simply means we have to concentrate on using the expertise that is there among workers as well as the capital that is available in terms of industry and entrepreneurial spirit. We have to see if there is some means by which we can come up with a much more co-operative partnership arrangement.

This is not the place to get into individual examples, but one I like to use, and I will not go into the details, is the effort the workers made in my own town in terms of the Canadian Porcelain plant, to keep it going when we had a viable market and guaranteed markets, through a worker buyout deal when the intent was simply to shut that operation down and eliminate a competitor, which is exactly what happened six months later, and the absolute frustration of both workers and the business community in trying to

Most of the people on the shop floors in our manufacturing industry in particular, and I think it exists in the other industries as well, understand when something is wrong with the plant and something is not being done right. The one thing I get from top business leaders today is an admission that nobody can top the quality of the work that Canadian workers do, one of the reasons many of the auto parts plants are not rushing to Mexico, even though we have some trouble with some of them. They know the kind of quality work that is available here.

sell that particular proposal at the time.

The expertise on the shop floor with our workers as well is underutilized tremendously in this country. The feeling they have of having no part in the decisions that are made that affect their futures is also a cause of concern, I can tell you, not just to people like myself and others but to a surprising number of people in the business community as well.

My philosophy is simply one of setting the stage where there is the kind of protection, the kind of support programs and the kind of utilization of workers that gives them a heck of a lot more say in the decisions that affect them and in how a plant can successfully be run. I think if we are going to meet productive increases, if we are going to meet continued quality in the workplace, we have to develop this kind of a partnership. You will not do it if one side or the other—and this is where we have a disagreement, of course—feels much weaker than the other or feels that it cannot adequately express its opinion.

It is a partnership I am working for. It is an attempt to get people working in a co-operative and not a confrontational approach to things. It is philosophical. You asked a philosophical question. I cannot do it any other way to you.

Mrs Witmer: My first question to the minister is as follows. You originally had indicated you would be introducing legislation concerning the labour law reform by June of this year. I would like to ask you now, when do you anticipate introducing that legislation, and also, will you be introducing a green paper prior to the introduction of the legislation?

Hon Mr Mackenzie: You are talking about OLRA? Mrs Witmer: I am talking about the labour.

Hon Mr Mackenzie: Originally I had hopes, which turned out to be not very realistic, of having a package of changes in the OLRA field—there have been no major changes there since 1975—ready for June. It became obvious early on that that was not going to be a possibility. We have not yet finalized our decision on what form the consultation is going to take. The exercise we went through, which was a very useful one—and also got a lot of flak out in public—was the use of labour lawyers on both management and company side to produce their ideas of what was needed in the way of reform.

That was deliberately not done as a combined effort. They were asked to submit separate packages simply because we probably would have taken a year or longer if we had tried to reach any kind of consensus on something as vital as the OLRA. We wanted to have before us what besides that had to be done in terms of labour relations reform in the province of Ontario. We are now in the process of looking at what we got from both sides and trying to accurately put together a paper people can understand that says exactly what it would mean or not mean and what the options are.

Some form of that paper, based on the two discussion papers we got back from management and labour, will be the consultation paper we will use. We hope to have that out late this summer and probably in the early part of the fall. I am guessing on that. We are going to try to concentrate the consultation as much as we can, but we also recognize fully the interest in this particular field. When we get the consultation back from that paper and when it has also gone through various cabinet committees for their feeling as to what is and is not possible, I will have the responsibility for drafting the actual legislation that will come into the House for the usual process.

I am hoping to have that in the House some time late this fall. I suspect it will be out to committee over the winter break. If I meet that schedule, that is the intent, and we will probably be on it some time next year in terms of the clause-by-clause work in the committee. That is not a guarantee. That is currently our hope.

1700

Mrs Witmer: I would like to move on to the Ontario Labour Relations Board. I would like to know, how many times did that that board intervene in a labour dispute because of bad-faith bargaining in 1990?

Mr Thomson: We would have to get you the answer to that. I think we can probably do that by tomorrow.

Mrs Witmer: Okay. A follow-up to that: What impact does the proposed change in powers for the board have on case workload and staffing complements? What would be the estimated cost of the proposed changes?

**Mr Thomson:** You are talking about the impact on the board if the proposals that were made by the labour side of the group that got together were turned into legislation.

Mrs Witmer: Exactly.

Mr Thomson: I do not think we have that because there has been no decision made as to whether we would be moving in the direction those proposals propose. We might be able to give you a general answer with respect to impact on the board if all of those proposals were made. I think we need to take some time to determine that.

Hon Mr Mackenzie: It would be very difficult, too, because there are some presumptions. That is not, obviously, the package we are going with, although it has formed the basis for some of the discussions and certainly is what has raised some fears out in the business community as well. But some of the changes suggested, the feeling is, would cut down some of the workload of the board considerably. There are others that probably would work in reverse. Once again, it is whatever the final package is that it is decided to go with, but some of the input we will get on that will lead to the final decisions on it.

Mr Thomson: Mrs Witmer, just to clarify your earlier question, you would like to know how many times last year an allegation of bad-faith bargaining was brought before the board. Is that your question?

Mrs Witmer: Yes.

The Chair: Is there a presumption that the board operates on a calendar year for reporting purposes?

Mrs Witmer: Is it 1990-91 or 1990?

The Chair: Is it on our fiscal year?

Mr Thomson: I think we can do either. Shall we assume the calendar year would be sufficient for you?

Mrs Witmer: Thank you. Turning to vote 2404, the strategic policy and analysis unit is currently reviewing the exemption of the domestic worker on the farms from the provisions of the Occupational Health and Safety Act. I would like to ask you, what type of consultation have you taken with the interested groups up until this time?

Mr Thomson: The area where we have begun consultation relates to the issue of the exemption for farming, the agricultural community. We have had a number of discussions with the Ministry of Agriculture and Food and the major farming organizations, and we have agreed with them to begin an exercise this summer that would have

persons from the farming community plus inspectors from our branch actually going on to farms and looking at how our present industrial regulation, how the act as a whole, would work in a farming setting. That will take a number of months to complete. That would give us the feedback on whether: (1) this is feasible; (2) it would require a special regulation so there would not be any unintended application of the industrial regulation in ways that would not work in the farming community; and (3) it would be possible to adapt the present regulation in a way that would work. The plan would be to begin those discussions involving the farming community once again in the fall of this year, depending upon the results of the summer discussions.

Hon Mr Mackenzie: I think it is useful to mention just a couple of other things in terms of the farming community and any changes we are looking at. The priority in my mind, to begin with, in terms of the OLRA end of things, is the exclusion of what is in effect an industrial farm operation, that is, a moving shift mushroom farm or a chicken farm or something like that, the processers.

A separate issue, also in the farm community, is the matter of health and safety. There is a fair amount of work being done on that because I think most people recognize you would have difficulty in just blanket exclusions of the family farms. I do not think that was ever our intent. At the same time, we have an accident rate in the farm community that is disturbingly high and some of the groups we have had looking at it tell us that as well. So we have a couple of different problems we are trying to deal with in terms of the agricultural community.

**Mr Thomson:** The discussions in the fall will involve the release of a consultation paper as well.

Mrs Witmer: I appreciate that response. If it is considered that these regulations should be introduced, when do you see that happening? Are we looking at next year in the spring?

Hon Mr Mackenzie: It is a little difficult to tell you with the consultations that are going on and with, quite frankly, the workload we have had, the material we have had before the House and is still to come. I just cannot give you a hard answer on that.

Mr Thomson: If the regulation were introduced, if the exemption were limited in part or in whole—and that is an if—a whole separate issue would be the pace at which that would become effective. There clearly would need to be a phase-in period and also there would be a need for real education of the farming community to help people be ready and able to make use of the regulation in a positive way and also to train our own people on how to apply it to the farming community so it would be effective and not cause any unintended results. I stress that is if the decision is made to introduce the regulation. It may be that Naomi Alboim, who is the assistant deputy minister of policy, could add to that for you.

The Chair: Please identify yourself for Hansard and proceed with your answer.

Ms Alboim: Naomi Alboim. I am the ADM of policy at the Ministry of Labour. If, as a result of the exercise that we undertake this summer with the visits to the farms, it

were determined that a further process was in order, we would write up a consultation document. We would proceed with the consultation exercise, likely in the fall. Depending on the results of those consultation processes, assuming we had cabinet authority to proceed, we would likely establish some kind of committee process that would actually sit down together to work out the regulation, including members from the farm community so they would be involved in the development of that regulation. That would likely take some time.

Mrs Witmer: As far as the regulations respecting the health care facilities are concerned, when do you anticipate they would be introduced?

Hon Mr Mackenzie: You were asking about the health care regs?

Mrs Witmer: Yes.

Hon Mr Mackenzie: The health care regs have been in the process, I guess, since 1985 or 1987 and we are currently having meetings. What we have found was that there was agreement between the parties on the vast majority of the health care regs but there were still some five specifically that had some major cost implications and I think about 15 of them that did raise problems with other ministries. We have had the other ministries together working on them to see if we can find a way around the problems that exist. I do not think a decision has been made yet to proceed with what is currently agreed to. We are trying to see if we cannot reach agreement on the remaining items that are still in some dispute, but we have left open the possibility of proceeding without those particular items. That probably will not be very long, is about the best I can tell you. The ministers involved as well have given their staff instructions to fast-track the issues that are still causing some concern.

Mr Thomson: The Ministry of Health and the Ontario Hospital Association are engaged in some analysis of the some of the regs and some costing. But what is not yet decided is whether one waits till all of the issues have been resolved or, as the minister says, whether some portion of those regulations might be carved out where there is not a major disagreement or it does appear likely the regulation can be introduced, and introduce those while further work is done on some of the more contentious issues, for example the issue relating to the handling of patients.

1710

The Chair: You have another two minutes.

Mrs Witmer: My final question is, when is the ministry going to release the definition of a "poor performer" to comply with Bill 208?

Mr Thomson: This is the issue of when an employer could be seen to be a poor performer, which would trigger specific possible orders under Bill 208. We are in the midst of a task to develop a proposal for consultation. My understanding is that we are hoping later this spring, early this summer, to have a proposed regulation that then can be sent out for consultation.

That needs to be a fairly lengthy period of consultation. That regulation would not become law until we are further down the road, which would include having certified worker and employer members in workplaces, and we are still some distance from that. The agency is still working on how to identify and train those persons. So there is still a fairly lengthy process to go on that issue.

Mr Ferguson: Minister, in your opening comments you stated that assistance has been greatly increased to the joint labour-management adjustment committees of the province set up in plant closures and layoffs that affect 50 or more workers. You talk about funding increasing sevenfold from \$500,000 to about \$7.5 million. Could you give the committee a little more of an idea of specifically what those funds are allocated and used for?

Hon Mr Mackenzie: They are basically for setting up, and there are people here with some expertise on this as well, the joint labour-management committee in the plant where there is a closure, and for assisting the workers in establishing what is needed in the way of retraining and, in some cases, actually assisting them into another job.

One of the things that did surprise me was the speed with which this is up and running. We now have over 100 such committees in place and working. Unfortunately, as well, a good chunk of our money, I think about \$2.8 million, is involved in them, as of about a week ago when we last checked out the figures on the labour adjustment committees in the plant.

Mr Thomson: I think Harry Shardlow, director of the employment adjustment branch and the new office of labour adjustment, can speak to how those funds have been allocated to date.

Mr Shardlow: I am Harry Shardlow, director of the office of labour adjustment. The \$7.5 million is basically, as the minister was saying, to help facilitate the establishment of adjustment committees, bearing in mind that that forms the provincial share in these adjustment committees. That is matched by a corresponding amount from the federal government, from the industrial adjustment service, and, in the great majority of situations, from the employer community.

The amount of money we have allocated to date, in the order of \$2.8 million, is actually matched, on almost an equal basis, by the federal government and perhaps a little bit more so by the employer community. So for the 100-plus committees we have, those funds would actually be approaching \$7 million, \$8 million or \$9 million that have been allocated to date.

The usual use of those funds is for the actual establishment of the adjustment committee itself and for the provision of wages for the employees and the company members on the committee during the committee business for acquiring one of the more important elements of the adjustment committee process, and that is for actual needs assessments so that the individual workers have an opportunity to express what help they feel they need. Then the committee can actually summarize that type of information and formulate an adjustment plan for the workers themselves.

Mr Ferguson: I think there is a perception out there that a lot of dollars go into buying coffee and doughnuts, and people sit around in the morning and talk about how

tough times are. I am glad to hear that some concrete programs have been put in place.

The Chair: Does it sound like one of your caucus meetings?

Mr Ferguson: No, not at all.

Under the office of arbitration, could you tell me how many arbitrators are on the list recommended by the labour management committee? How long does the average arbitration hearing take? Is there any plan to improve the arbitration process in order to resolve outstanding issues both on the labour and management sides? There has been some concern in the past about the length of time it takes to get a case to arbitration as well as the hearing process. Is there any plan to fast-track?

Miss Read: I am Jean Read, acting assistant deputy minister, industrial relations division.

We have 93 arbitrators on the list. These people are recommended to the minister according to criteria established by a labour management advisory committee comprised of three members from management and three members from trade unions. They also have a training program to develop potential arbitrators to assist them to enter the field.

In terms of delays, there are two processes by which one can proceed to arbitration. One is under the collective agreement route, which is a three-person board. Under that system the parties are in a position to select their arbitrators. They tend to select the busy arbitrators, who take somewhat longer to get to a hearing and to issue their awards.

Under section 45, which is the expedited arbitration process, the minister appoints an arbitrator to hear the matter within 21 days from receipt of the application by the party.

We do not have current figures on the time it takes to issue awards, but we do advise the arbitrators that we are looking for awards within less than three months from the date of the hearing.

Mr Ferguson: I have a number of other questions, but I am sure my colleagues do as well, so I will bow to them at this point.

Mr Johnson: With regard to the industrial relations program, I was very pleased to hear the minister say that with changes to the Labour Relations Act there will hopefully be a less adversarial and a more co-operative relationship between labour and employers, labour and business. The Labour Relations Act is receiving a great deal of attention. I think it has been a very necessary act. It has been viewed to be in the interest of the employees and looks after many of their concerns when dealing with the relationship between business and labour.

Has the minister consulted with the representatives about any changes that will be made to the act? What kind of response have they received at this time?

**Hon Mr Mackenzie:** Consulted with whom? Are you talking about—

Mr Johnson: With business representatives.

Hon Mr Mackenzie: I am not sure how to answer that. The answer, generally, is yes. It is a topic that gets raised at just about every business group I speak to these

days, and I speak to a fair number of business groups. It is a topic, until there is more of a framework as to what we want to try to do, that raises all kinds of concerns.

I think that is why we have seen some of the press we have and some of the concerns raised. If you based it strictly on the labour people's first report we did, which looked at the entire act and suggested more than 30 changes, you would get one picture; if you looked at the other side—"Leave it alone; don't touch it" was the basic theme but a few suggestions—you would certainly get a different picture. You would soon realize there was not an awful lot of agreement on any changes to the Ontario Labour Relations Act, because it can have a fairly fundamental effect in terms of some of the procedures and processes we go through.

It will not be helpful if we are not able to achieve a more of a partnership operation. On the other hand, I am not sure that partnership is at all possible without some changes to the OLRA. As I say, it has not been touched since 1975 and there are some things that are seen as prohibiting workers' rights to organize; basically, in the field of organization. That is one of the emphases we have been taking a look at.

1720

Mr Johnson: If I can just add, there is a perception that one part of the relationship—maybe labour would like to be more co-operative than business, but that would not necessarily be fair. I like to think that business would like to co-operate with labour to the benefit of the operation of business and to the benefit of all concerned.

We sort of know what the potential benefits are to workers, but what is really important to business and to the employers is what kind of benefits there are for them in changes to the act. I wonder if you might elaborate on that.

Hon Mr Mackenzie: I would not want to get too specific, because once again you get into areas that can cause you all kinds of problems. I can tell you that in much of western Europe they have reached a better accommodation between companies and the workers than we have in North America.

In this country, if you are active in a trade union you would know very quickly that to talk about changing any seniority provisions or talking about a social contract, or a social wage, even, that might cover a whole sector would be almost akin to being a heretic of some kind. Yet some of those issues are commonly discussed in some of the western European countries. Part of the reason they are not discussed here is that I think there is not the level of trust or the level of co-operation that is necessary to bring about that kind of frankness between business and labour. I guess that is the area I am really thinking of.

Mr G. Wilson: It follows on what Mr Daigeler was saying, the question of looking at it from the other point of view, that is, the question of jobs versus the entrepreneurial spirit. It would seem that jobs follow from the entrepreneurial spirit, but there are jobs and jobs. One expression used now is McJobs to suggest service jobs that are low wage and low security. I think the changes to the Labour Relations Act we have been talking about might do some-

thing to redress this problem, give workers in those areas more authority.

Part of this speaks to something the minister raised in his opening remarks about the speech from the throne, where he said that one of his goals is making it easier for workers in the province to organize so they can work in partnership and co-operation with industry. From the workers' point of view, what are some of the things that could happen here to make it easier to organize and perhaps some of the things that would follow from it to make it more of a partnership to, as I would see it, enhance those jobs? What role could workers play in increasing the value of their jobs?

Hon Mr Mackenzie: I am not sure I want to go into details of what might be contained in any piece of legislation. What I will tell you is that one of the things that always impressed me and that I really hung my hat on as Labour critic for 12 or 13 years in this House, was the preamble to the Ontario Labour Relations Act which simply says it is in the interest of working people in the province to be able to organize and engage in free collective bargaining. Yet there are a number of situations that make it very difficult in some cases to do that. You can get into arguments over petitions, for example, and you can be tied up, if they go to court, for a year and two years and three years in court challenges.

There needs to be some movement in terms of the workers' ability to take advantage of what the preamble to the Labour Relations Act says. I think that in itself would make some surprising changes. It may surprise people, but interestingly enough, you do not get much opposition to that, from most of the big business community at least. I think they recognize that is a fact of life that actually exists in their plants, and some of them even agree when you are talking to them.

Where you get more concern is the small business community. They are not exactly sure whether this would not mean they would all be organized overnight, which I do not think is what is going to happen in any event, and whether it would somehow or other inhibit them from using their entrepreneurial skills, if you like. That is a little more delicate area, and we have to understand that when we are looking at changes in legislation.

Certainly, the intent is to make the climate a little easier for real access to what the preamble of the Labour Relations Act says. I think, personally—I have come up through the field—that this would be better for business and labour in this community, if we can ever break down some of these barriers and change some of the attitudes and do away with some of the sacred cows that all of us have lived by for a long time.

**The Chair:** Moving from sacred cows to Liberals, Mr Offer, you have the floor.

Mr Offer: There is a difference.

The Chair: I thought they were an endangered species nine months ago.

Interjections.

Mr Offer: This is eating into our time. I know your tricks, Mr Chair.

I have a short question on pay equity. Last December, you brought out a consultation paper. I am wondering if you might be able to share with us where we are with respect to legislation. Second, even the consultation paper excludes at the very best over 115,000 women. Could you share with us your timetable for legislation to include all women in the workforce?

Hon Mr Mackenzie: I am not sure of the numbers, but basically we are talking about the under-10s. In most cases, they are mom-and-pop operations. Some of the suggestions we have made have raised some concerns as well among some of the people who are involved in pay equity, and that was one of the reasons we wanted to get the paper out for discussion. But we also were not satisfied ourselves that we had the best answer to dealing with the smaller workplaces and the under-10s; part of the purpose of the consultation was to see if we could come up with a better method of dealing with this. If you talk to most of the organized women's groups and pay equity groups, they want to see even the under-10s kept under the legislation, and that may very well be the case. It is just finding the best means of dealing with it.

I think we have somebody here from the pay equity committee who might give you more information or a better answer on what we are doing. We are still in the consultation process, I can tell you, on the smaller operations.

Mr Thomson: I perhaps can say a few things. I do not think we have anyone here from the Pay Equity Commission today, although I think there will be somebody here tomorrow.

The consulation paper dealt with the introduction of proportional value first. That consultation really has been completed. We have had a fair amount of feedback, a lot of discussion around what legislation might look like with respect to proportional value.

With respect to proxy comparisons, a lot of issues were raised in the consultation that we are doing further work on. Some relate to the concern of those in favour of pay equity about what the comparison ought to be. Should the comparison be to male or female external jobs? Should the comparison be to the adjustment? Should one receive the adjustment that was paid in the proxy organization? Should one be receiving the actual amount being paid in terms of salary to the person in the proxy organization? As well, there are a lot of administrative complexities with respect to the implementation of proxy, so we are doing further work on that in light of the feedback we got.

There was a commitment made as well, if I could add to what the minister said, that at some point we would release a consultation paper for further discussion on the various ways those women excluded from the acts, specifically the under-10s, might be assisted with the Pay Equity Act being one of a number of routes by which their wage situation might be dealt with. That paper is not yet completed and ready for consulation.

Hon Mr Mackenzie: If you could raise the minimum wage high enough and fast enough, it would probably do more for the under-10s than anything else, but you would

also have a minimum wage that would scare everybody in the province.

The Chair: How high would that be? Hon Mr Mackenzie: I am not sure.

Mr Offer: That was my first question to you and you are very clear on that one. I know my colleague wants to ask a question on this issue also, but I want to go back to the consultation on the Labour Relations Act. You have indicated there will be consultation. You have also indicated that you hope to have legislation by the fall session.

Before you can have legislation, you know there are a certain number of cabinet committees and things that have to be gone through. We are sitting here at the end of June. What type of real consultation can take place to meet your timetable? That is exactly the concern that business is voicing across the province. What is proposed for a consultation on reform that, without any doubt, people see as very important to their ability to continue in the province?

Hon Mr Mackenzie: The message has been given both by my leader and myself on a number of occasions. The message is clear that there is going to be consultation. The documents we are going to use will certainly be some of what we are preparing or working on in within the ministry right now. It is going to take a bit of time. Our hope is that we have the consultation documents out before this summer is out. That means we will need a bit of the fall as well to get the consultation. We are hoping it can be as concentrated as possible, but I am not prepared to give any time frame on that. My hope is that we will be in a position, based on the consultation, to start drafting legislation late this fall and hopefully get it out to a committee over the winter break. I would not want to make any firm commitment on that.

Mr Offer: That is exactly the concern. The time period which you apparently are giving to thousands and thousands of people to comment on something which they view as very important is one which they feel is much too narrow. By your own statement, you seem to want the legislation in by the fall. It seems to me that in order to accomplish what it is you wish to accomplish, something has to lose, and that will be consultation prior to legislation.

Hon Mr Mackenzie: You still have a few months before we leave this place in the fall. That is the pre-consultation. I agree with you that that is very important. But once any legislation comes in, you also have a long period of time in the House and in committees. Something like that would undoubtedly go out to hearings over the next break as well if we are able to put together a package.

I think the other thing you have to recognize is that the final decision on what we do will be a political decision. That is going to have to be made.

Mr Offer: I recognize you have every right to do that, but what we are hearing clearly is that with respect to this particular initiative, people want to speak to you prior to the drafting of legislation. They recognize the committee process. They recognize that there is the possibility, though not the inevitability, of public hearings. They also recognize

that the possibility is not an inevitability in terms of a committee travelling. We have suffered that in terms of Bill 70—that the committee is not travelling.

What people really want to do is talk to the ministry and yourself prior to the policies being etched in principle in legislation. What you are saying to me in terms of legislation being ready in the fall and not having a consultation document today and potentially not having one until at very best mid-summer or late summer just speaks to the same type of process that the Burkett committee went.

I speak not to substance; I speak to process. The process and the criticism of process is that 30 proposals of such impact in 30 days is one which causes concern. I just leave that there.

Mrs McLeod: I will take you back to the proposals for the extension of the pay equity plan and would be interested in knowing whether the ministry has done a fairly detailed cost-impact analysis of the extension of the plan as it relates to the broader public sector. I recognize the difficulty at looking at cost impact in the private sector.

I am obviously concerned about a realistic assessment of the cost implications for community agencies which are in fact funded by government and which could reasonably be seen to be government's responsibility in funding transfers, and whether you have a realistic cost-impact analysis for plans to extend the pay equity plans.

Hon Mr Mackenzie: It is not inexpensive. I think we do have some figures on that.

Mr Thomson: Yes. We can provide you with those. You need to break it down almost into four parts: the costs of implementing the act as it presently stands, because it has had an impact on the broader public sector; then the costs of proportional value comparisons, which would bring in some people who were left out in the initial act; and then third, the issue of the cost of proxy comparisons for those that the first two would not cover. With proxy, there is the problem that it depends on what kind of proxy is ultimately introduced. If it is a proxy approach that involves getting the percentage adjustment or dollar adjustment from the proxy organization, that is a different cost than actually moving to the job rate paid in a proxy organization.

We do not have firm figures on the last two of those because we are still working on the options that are possible if we moved in that direction. But I can give you perhaps tomorrow our best understanding of the kinds of costs involved in implementing pay equity thus far and the kinds of costs that might be involved with proportional comparisons.

Mr Daigeler: How much time do we have?

The Chair: You have five minutes, Mr Daigeler.

Mr Daigeler: Coming back to my earlier question, it is a bit awkward, but I think still the best way we have found to give them an equal chance. You indicated, Minister, that you are interested in a new partnership between labour and business. I certainly share that goal. It is a philosophical one, but sometimes philosophy is important because it does, at least hopefully, lead us to certain specific actions. If that is your goal, I share the goal. Let's see the specifics. Perhaps you will indicate some of those specifics over the next few hours.

The first specific one in that area I would like an answer to is, who within your government has the responsibility to advocate on behalf of what can be called the business community or the employers?

Hon Mr Mackenzie: I personally think we all have a responsibility. I do not think there is any question, because of the nature of my ministry, that it does get involved and will get involved with workers and their problems. When you are involved in employment standards complaints or plant shutdowns or health and safety complaints, you are more often than not dealing with a problem that has been brought by a worker or group of workers to the ministry. But that does not absolve us from responsibility in terms of the business community as well.

Probably the ministry most directly involved with business is the Ministry of Industry, Trade and Technology. I am not sure of anybody else. I do not think we have operated on the basis that there is one minister or one ministry that has a responsibility for business and not the others. When I made my case in our little back and forth philosophy earlier, it is on the basis that I want to establish a partnership. I think that is beneficial to both sides if we can do it.

Mr Daigeler: Do you have, in terms of your own ministry, an ongoing advisory group that represents the employers' group? I do not want to appear as being only interested in the employers' group, because I appreciate the work you are doing on behalf of labour, but at the same time I think a lot of resources, from looking at the estimates, are spent in helping the legitimate case of the workers. I am just wondering who and what resources are available for the legitimate case of the employers. Do you have an ongoing link, and if so, what does that link look like?

Hon Mr Mackenzie: We have some advisory committees. I think the deputy may give you a couple of answers on it.

1740

Mr Thomson: As an example, we have created an advisory group of people from a range of employer organizations who meet with us periodically to review any policy proposals we are working on and to give us feedback. In fact, we met yesterday afternoon on the Ontario Labour Relations Act. We schedule regular meetings with the employer organizations. We have also established a labour-management forum that has senior leaders from both management and labour who come together periodically to review issues of common concern. Their next meeting is in a couple of weeks.

Mr Daigeler: To be specific, can we have something in writing of what has happened since you have taken office in that regard?

**Mr Thomson:** The kinds of consultations we have entered into with the employer community?

**Mr Daigeler:** Yes, who the people are and when you have met with these groups.

Mr Thomson: I think we can give you an overview of that.

Mr Daigeler: I would appreciate that.

The Chair: Is this a specifically named committee, an advisory committee, and does it have a defined membership and mandate?

**Mr Thomson:** It depends on which committee we are talking about. The ones I have mentioned thus far do have defined memberships and broad mandates, at any rate.

Mr Daigeler: Anything you have in writing, I would appreciate.

Mr Offer: It is not just—you said it was about the Labour Relations Act.

Mr Thomson: No, I understand. You are talking about the employer organizations or groups of organizations with which we consult that give the employer community an opportunity to be heard on the issues we are raising. I think we can give you an overview of that.

Mr Offer: When you give that overview, could you also share with us what information you have given to the many employer organizations in the province, if there is such a group?

The Chair: I think you would need to be a little more specific here. Are you talking about ministry promotional material or are you talking about consultation papers?

Hon Mr Mackenzie: For example, we get all kinds of requests for both the labour and management documents in the first OLRA deal, and they were sent out to any management group that requested them.

The Chair: Naomi, if you would like to come and respond to that, and then I will recognize Mrs Witmer.

Hon Mr Mackenzie: Naomi is on policy, so she gets involved in it more than would most people.

Ms Alboim: What I would propose that we provide for you for tomorrow is, for each of the significant policy issues that we have consulted on, we can provide to you a listing of the organizations that participated in the consultation process, when we issued the consultation document, over what period of time we consulted with the individual groups, and give you a sample. For each process we involved different employer groups, but I can certainly give you a sampling of the kind of mailing list we use to send out our consultation papers and the people we invite to consult on a variety of issues, if that would be helpful to you.

Mrs Witmer: The Employment Standards Act is being reviewed and I would like to know two things. When do you plan to release the green paper on the Employment Standards Act, and also, is this going to include the increased notice provisions and a reduction in the employee thresholds for severance pay, or are you going to introduce that as a separate package of amendments?

Hon Mr Mackenzie: The green paper on the Employment Standards Act, which deals with a number of issues—notice and additional information in terms of plant shutdowns—will probably not be ready until late in the fall.

Mrs Witmer: Are you going to have a separate package of amendments?

Mr Thomson: If I can clarify, we do have the adjustment proposals that were dealt with in the earlier consultation paper. We have gone through a consultation exercise on those and the government has yet to make a decision on when and to what extent amendments in that area will be introduced, but we have a separate exercise to review the whole Employment Standards Act.

That exercise has been ongoing for a period of time. We went through an initial stage of asking people, "What are the issues we ought to deal with?" We are now having work done on each of those issues.

At the earliest, as the minister has just said, that consultation paper would be out near the end of the year, and we anticipate a fairly lengthy period of consultation on that because that is a really broad and fundamental look at the Employment Standards Act. That would not lead to legislation for a period of time to come after the consultation begins.

Mrs Witmer: There is talk about establishing the worker venture capital funds. Will your ministry be involved in those interministerial discussions?

Hon Mr Mackenzie: Yes, we will, and that is also part of a broader look at investment capital that the government is undertaking at the moment as well.

Mrs Witmer: When are those discussions anticipated to start?

Mr Thomson: There will be, as I understand it, a consultation, not led by our ministry but led, I think, by Treasury or MITT—I think Treasury—that is intended to begin some time, I think, this summer, with possible legislation at some later date. We are part of an interministerial committee that is looking at the issues from a policy standpoint, but the actual managing of the consultation exercise will be done by another ministry, not by us.

Mrs Witmer: Right. The consultation paper on the Crown Employees Collective Bargaining Act has just been released. What type of time line are you looking at there for consultation?

Hon Mr Mackenzie: You are talking about CECBA.

Mrs Witmer: Yes, the one that was just introduced on Monday.

Hon Mr Mackenzie: We cannot give you an answer on that until one of my colleagues, who has been doing a bit of a study on CECBA and possible reform there, finishes the report. When they have finished, Frances Lankin has the responsibility for doing the consultation that is ongoing now. The results of her consultation will be turned over to our ministry to tie in with anything we do with the OLRA and to make any recommendations.

Mrs Witmer: So at this time you really do not have—

Hon Mr Mackenzie: I do not really have a time frame on that.

Mrs Witmer: Okay, but it will be eventually coming back to your ministry.

Mr Thomson: Eventually the results of the discussions that are now going on will come to us, which is really the beginning of a process for our ministry as the ministry responsible for the act in a public policy sense. That could take a short or a lengthy period of time, depending upon the issues raised in the discussions.

Hon Mr Mackenzie: You get into a lot of areas when you are looking at both CECBA and the OLRA and how they do or do not come together in one package.

Mrs Witmer: Actually, when I took a look at that estimates paper, it is unreal what is going on in the Ministry of Labour.

I would like to go back to the employee wage protection program. Once that is approved, if that happens, how many staff do you anticipate you are going to have to hire?

Mr Thomson: We have figures on that, if I could provide those to you tomorrow. I do not have them here, but I can give you some idea of the size of the program and the number of people it will take to administer it. It is a very large money distribution program, and it does include a fair amount of work to validate the claims when they are made, so there will be a number of people added to the

employment standards side of the ministry. I think I can give you those figures in some accuracy tomorrow.

Hon Mr Mackenzie: Your question ties in as well with one that came from Mr Offer, and that is that the wage protection program we have—the \$175 million—is for an 18-month period. That figure is 18 months, not a year as we were talking. I just wanted to be clear on that.

Mrs Witmer: I guess I would like to know as well, what would the annual administrative costs be?

Is the bell going to ring pretty soon?

The Chair: You have seven minutes, and I doubt the bell will ring until close to 6 o'clock. Then there will be probably a five-minute bell.

Mrs Witmer: Okay. I would like to turn to the-

The Chair: Shows you what I know. Mrs Witmer had seven minutes remaining of her time.

The committee adjourned at 1749.

#### **CONTENTS**

## Tuesday 25 June 1991

Organization					 								 										E-	345	
Ministry of Labour					 					 			 										E-	345	
Adjournment					 			. :		 			 		٠								E-	362	

#### STANDING COMMITTEE ON ESTIMATES

Vice-Chair: Marland, Margaret (Mississauga South PC)
Carr, Gary (Oakville South PC)
Daigeler, Hans (Nepean L)
Ferguson, Will (Kitchener NDP)
Haslam, Karen (Perth NDP)
Johnson, Paul R. (Prince Edward-Lennox-South Hastings NDP)
Lessard, Wayne (Windsor-Walkerville NDP)
McGuinty, Dalton (Ottawa South L)
McLeod, Lyn (Fort William L)
Perruzza, Anthony (Downsview NDP)
Wilson, Gary (Kingston and The Islands NDP)

Chair: Jackson, Cameron (Burlington South PC)

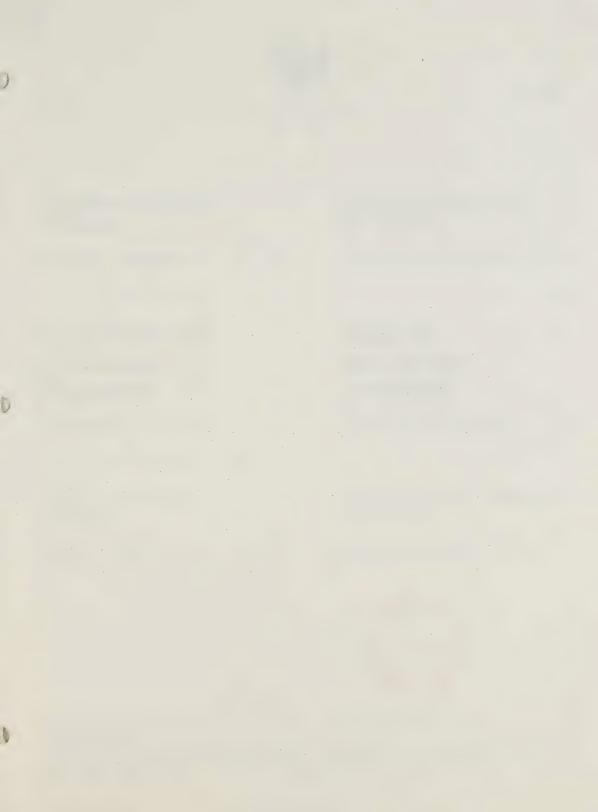
#### **Substitutions:**

Offer, Steven (Mississauga North L) for Mr Carr Witmer, Elizabeth (Waterloo North PC) for Mr McGuinty

Also taking part: Rizzo, Tony (Oakwood Ind)

Clerk: Carrozza, Franco







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# Legislative Assembly of Ontario

First Session, 35th Parliament

# Official Report of Debates (Hansard)

Wednesday 26 June 1991

## Standing committee on estimates

Ministry of Labour

# Assemblée législative de l'Ontario

Première session, 35° législature

# Journal des débats (Hansard)

Le mercredi 26 juin 1991

# Comité permanent des budgets des dépenses

Ministère du Travail



Président : Cameron Jackson Greffier: Franco Carrozza

Chair: Cameron Jackson Clerk: Franco Carrozza





#### **Table of Contents**

Table of Contents for proceedings reported in this issue appears at the back, together with a list of committee members and other members taking part.

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### LEGISLATIVE ASSEMBLY OF ONTARIO

#### STANDING COMMITTEE ON ESTIMATES

### Wednesday 26 June 1991

The committee met at 1540 in committee room 2.

#### MINISTRY OF LABOUR

The Chair: I call to order the the standing committee on estimates, which is currently considering the estimates of the Ministry of Labour for the 1991-92 fiscal year. There are 5 hours and 22 minutes remaining. The Chair recognizes the clock at 3:40.

When we adjourned yesterday, Ms Witmer of the Progressive Conservative Party had just completed her segment. In accordance with our procedures, I will recognize Mr Wilson to lead off questions for the governing party.

Mr Daigeler: Before we go to Mr Wilson, could I ask whether after the government's 15 minutes you will be going to the third party for its half-hour presentation? What is your plan on that?

The Chair: I am in the hands of the committee. If Mr Carr is prepared to proceed in 15 minutes, then fine. If not, I will recognize you, Mr Daigeler. Ms Witmer has succumbed to her condition and deeply regrets it, but the doctor has her at home with her illness.

Mr G. Wilson: Minister, I have a question about vote 2405, item 3. It is under the office of labour adjustment. It specifically involves the help centres that have been set up under the office of labour adjustment. This is on page 107 of the estimates. The third point down reads, "Provide enhanced funding to existing help centres and explore the possibility of establishing new help centres." That is the two-part initiative for this question. Certainly I am happy to see there will be enhanced funding for existing centres, but I am more interested in the possibility, as it says, of establishing new help centres. I will tell you why.

In our area—that is, in the Kingston area—as in a lot of other areas, we are experiencing quite a number of layoffs and plant closures. We do not have a help centre as it is laid out under this section. We have been getting along with something called the Unemployment Help Centre for a number of years now, run by a volunteer, Theresa Houston, who has done an admirable job, so good in fact that we really have not felt the need for anything more elaborate. But for a number of reasons, Theresa has decided to close her centre, so we have some urgency to establish something else.

As I said, we have a high number of plant closures and layoffs. Since 26 October 1990, we have had 3,269 layoffs. Some of these have been complete shutdowns. What is interesting when you look at these figures—this is from Brockville to Perth, Prescott and Smith Falls there also, as well as Kingston, of course, because as the largest centre, it is the most affected—you see that they affect the same plant on a number of different occasions. So there is the need, I would say, for some continuity here for advice to the laid-off workers about what they can expect in the way

of unemployment insurance, for instance, and severance, but also help in finding new jobs. That is individually.

Then, of course, there is also the effect on their family. It is, as we all know, a very traumatic event to lose your job, especially in a time of recession and at a time of restructuring, when we cannot be sure what the outcome is going to be, at least in the short term, what kind of employment we are going to be attracting to our area in particular, but the province in general.

So as I say, I am very interested in establishing new help centres as it is laid out under the 1991-92 initiatives. We have a group in Kingston that is very interested in setting up a help centre. The need is there, so I just wondered what the ministry can suggest as far as the establishment of new help centres will be.

Hon Mr Mackenzie: I just want to make a comment or two, and then I would like Harry Shardlow—I think he is here—who is the director of labour adjustment, to give us a bit of a rundown on the help centres.

I can tell you they are proving helpful, the number we have set up, some of them with the new initiatives that we have been funding as well. I guess the problem I have is how many we are going to be able to put in place over and above the help centres we are now assisting.

I have heard from yourself and one of your colleagues on a regular basis on the Kingston area, so I know of your concerns. I also have a number of calls and letters and strong cases, I think, being presented by a number of members in the House. So it is going to be a question of just exactly what we can handle more than anything else in terms of the funding. But I think maybe Mr Shardlow would respond a bit to your query.

Mr Shardlow: Thank you, Minister. We certainly do recognize that the 15 help centres that are now funded on our particular program are not enough for the needs in the province. We are looking at a number of different areas in order to provide some form of assistance. Certainly geographical is one of the ones we are concerned about.

Currently, there is no help centre funded east of Oshawa. For instance, in northern Ontario, there is just the one centre in the Sudbury area. I think what we have to be aware of, though, is that our particular program does not provide core funding for the establishment of a help centre. We do provide funds. Help centres get funds from a number of sources, from the United Appeal, for instance, United Way, from the community, from the labour councils, perhaps. Our particular amount of funding is specifically addressed to the provision of counselling for workers who find themselves unemployed—for adult workers, as a matter of fact, because there are other provincial programs that provide assistance for youth. So our funds are directed towards that.

As far as the creation of a new centre, we are certainly working with community groups in exploring the ways in which we can be of assistance to them in establishing new centres. But of the funding that we do have, it is only for a particular segment of what those centres may provide. So there are a variety of different things we are looking at. We are looking at that and certainly looking at the entire program as to how we can be of more assistance. We do recognize the problem.

Mr G. Wilson: Thanks very much. I am glad you pointed out that there is nothing east of Oshawa, because that is a big area and one that, as I say, is certainly feeling the strains of the recession and the closures and layoffs.

I was wondering about the possibility of changing the criteria, then, to make it easier for the province to fund these centres. Has that been considered?

Mr Shardlow: We are certainly looking at the entire program as to how we can be more flexible and provide the assistance necessary, bearing in mind that the funding we have is not a core funding.

1550

Hon Mr Mackenzie: I think I could add that we are hoping to have some additional information as to our next moves, hopefully before the summer is out.

Mrs Haslam: I would like to touch on a couple of areas. Number one, you speak about the need for creative and constructive partnerships and consultation. I was looking through the Hansard and I know that Mr Klopp spoke about something in his riding, where the plant was going to be closed down and the people got together and worked co-operatively. I think that is very good, but it brings to mind a particular issue in my riding, and that is Deilcraft in Milverton. I know you are aware of this because I have talked about it. There might be something you do not know right now, and I am going to ask you about it.

In Milverton, the Deilcraft plant closed down. They were not in time to have protection under the wage protection because they closed down before 1 October. The stories went on and on about the workers trying very hard. They finally received funding through the Ministry of Labour, I believe from the workers'—no, I stand corrected; I am not sure.

Hon Mr Mackenzie: Workers' adjustment.

Mrs Haslam: Thank you. I knew you knew about it—the workers' adjustment fund. I have just learned there is a possibility that the federal government is re-evaluating its share of that. Is there anything we can do as a provincial government or as a provincial partner in this to take another look at how we can ensure that feeling of co-operation that was there, which is now not being worked on. Is there any way we could help the workers in dealing with the situation?

Hon Mr Mackenzie: I am going to let Mr Shardlow, who has also been dealing with the federal authorities, respond to you on that.

Mr Shardlow: We were pleased to be able to assist with the group in Milverton, along with the federal government and with the committee that had been established,

first to look at the possibilities of doing something specific with that plant, and then more generally to look at the economic situation around Milverton.

It is true that our federal colleagues have expressed some concern about some of the technical details of the agreement and the funding arrangements. We will be talking to them about that, but through our officer who is on that committee I have let it be known that we certainly are not about to leave the Milverton area, and that if there is any shortfall in the provision of funds, we will certainly make sure the committee can carry on with the projects it has undertaken. We certainly do not want to see our federal colleagues pull out. If we can prevent that, we certainly will. If we cannot, then we will carry on with the funding of that committee.

Mrs Haslam: I am so glad to hear that on Hansard, because it is a major concern of mine, for Milverton in particular.

Perhaps you could comment on the role you see the Ministry of Labour playing in future efforts and direction in terms of labour adjustment that it might be taking to assist in this effort of communities and industries to come to grips with the difficult periods. I was looking at a town that was literally dying because of that situation. I would like to know, are there any other examples of some of these endeavours, or am I the only one?

Mr Shardlow: I can certainly give you the example of Wawa. We are doing some work there with the community and with the mines. We are looking at a somewhat similar situation, both in Elliot Lake and Kapuskasing, where we have actually formed with the federal government an action centre approach because of the layoffs and plant closures. For instance, in the Elliot Lake situation, with the closure of the two mines, there are adjustment programs set up for the workers in those mines, but there are a number of different, smaller situations arising, and we have established a joint venture with the federal government in this situation to assist those.

As far as communities are concerned, we certainly are hopeful to be able to expand our endeavour in the various communities. There are, as I say, just a couple that we have now, but we will be expanding that approach in the communities. We are also looking at expanding our involvement with the federal government and the workplace parties in the industrial sectors.

We have an agreement now with the Ontario Furniture Manufacturers' Association that the United Steelworkers of America is a part of. The international woodworkers' association is a part of that, along with various provincial and federal agencies looking at the human resource implications of the downturn in the Canadian manufacturing industry with respect to furniture. We have entered into some discussions with two unions in the garment worker area that will hopefully be establishing a sector approach for the garment workers in the Toronto area and then expanding that out. We are also doing the same situation with the food processing industry. It is the beginning of an expanded program.

Mrs Haslam: I was really quite pleased to see the ministry come into Milverton and do something. It was a very scary time.

Mr Johnson: The minister made some comments in the House the other day about the employee wage protection plan. In my opinion, of course, the employee wage protection plan is a good one. Opponents to it may suggest it is overfunded. I think it could be even better funded, but that is not our purpose for being here, nor is that the purpose of my question.

I am curious to know how many people have applied to this date, so that we can have it recorded in Hansard relevant to the estimates that we are undertaking. How many people have applied to this program to date?

Hon Mr Mackenzie: I have a little more detailed response to a question on that issue by, I think, one of the Liberal members. I can tell you it is now up to over 13,000 who have applied.

Mr Thomson: I think we are up to 14,000.

Mr Johnson: If I may just add further, how has the Ministry of Labour kept in contact with potential claimants for the employee wage protection plan?

Hon Mr Mackenzie: If you can give me just a second, I will get the response to that.

The Chair: I might suggest, Minister, that it would be helpful if the clerk would be willing to distribute the material that appears to be in print form. Following Mr Carr's comments, you might respond with those documents in a more detailed fashion. That would perhaps be helpful. Is that okay? If that is the case, is there consensus among the committee that we ask Mr Carr to proceed to do third-party commentary up to a maximum of 30 minutes? Then we are in the minister's hands if he is comfortable responding subsequent to that. If there is no disagreement, please proceed, Mr Carr.

Mr Carr: As Mr Jackson has said, and as many of you know, Elizabeth Witmer is very ill with laryngitis, so she wanted to see if I could make the statement for her. I will be doing that. Although I understand she is feeling a little bit better, the voice is still rather difficult to speak. She sends her regrets. I will proceed with her statement.

"I regret that I am unable to be present at the estimates meeting and would like to thank Mr Carr for sharing my remarks with you.

"I would also like to take this opportunity to thank the minister for his remarks yesterday.

"You spoke about the need for labour and management to 'work together in a spirit of partnership' and the need to 'reshape the long-standing confrontational approach to labour-management relations.' I agree with you. However, I would remind you that this will take time. Attitudes do not change overnight.

"Your ministry must proceed slowly and clearly demonstrate that you are prepared to seriously consider the views of both labour and management as you develop your policies. It would be prudent to remember that, historically, changes to Ontario's labour and employment legislation have evolved after a thorough process of consultation with sufficient time for meaningful input.

"Given the present economic climate, your ministry must also start asking itself questions. Can we afford this legislation at the present time? Will it lead to further job losses? That is the issue.

E-367

"I am very concerned about the impact of some of the new policy changes on jobs. Although I support the aim of providing reasonable protection for workers, some of the proposed legislation, such as Bill 116, the original Bill 70 and the changes to the Labour Relations Act do nothing to protect workers' jobs and only serve to further discourage job retention and creation.

"We must remember that this is a very challenging and troubling time for the business community in Ontario. I am reminded of that constantly as I learn of yet another plant closing in my community of Waterloo or another community in Ontario.

#### 1600

"We have seen an exodus of business south of the border and we must stop that flow and the further loss of jobs.

"Unfortunately some of the proposed policies are contributing to economic uncertainty in the province and a poor investment climate. They will also increase the cost of doing business in Ontario or are perceived to increase costs.

"If your proposed policies cause business costs to increase at a faster rate than in the United States, it will become even more difficult to compete with our neighbours than it is now. This will sway new investment away from Ontario, encourage more relocation of existing business and contribute to further job loss.

"If we are to protect the workers and their jobs we must be cognizant of the fact that business concerns about these proposals and their impact must be considered and included in the drafting of all new legislation.

"This means that there must be meaningful and effective consultation and not the flawed process which contributed to the downfall of Bill 70 in its original form. Although the government launched a consultation process in January, it failed to include the recommendations of the business community in the drafting of the bill. The government simply paid lipservice to consultation. I would suggest that meaningful and effective consultation on all issues take place in the future. The measure of effective consultation is a policy which reflects a fair balance of the expressed views and concerns of all parties.

"Concern has also been expressed about the short consultation time line, and this should be extended so that all parties can analyse, study and critique the discussion paper and develop positions on the topic. The ministry must also spend the necessary time producing discussion papers that consider all possible and viable options.

"It is as a result of haste and lack of true consultation, Bill 70 was poorly drafted and flawed in principle.

"This brings me to my concern about the proposed Labour Relations Act reforms. I do not believe that the consultation time as suggested by the minister yesterday is sufficient to allow for any type of broad or meaningful process of consultation given the far-reaching ramifications of many of the measures addressed in the reports. The broad, practical and financial implications of these

types of changes must be fully considered before any legislation can be drafted. The potentially damaging consequences to the Ontario economy, as emphasized by the management representatives on the committee, must be fully considered.

"I urge you not to make the same mistake again and act in haste and without true consultation. I remind you that it takes time to develop a spirit of partnership between labour and management and it takes time to develop trust and understanding. The process used to reach that goal is critical to its success.

"I would also like to share with you the concerns about the legislation as expressed in this letter—automobile manufacturers' association. Stephen Van Horne stated in a letter to Bob Rae:

"'I urge the government not to act on these proposals. They would disturb and upset the existing balance in labour-management relations climate dramatically and unnecessarily. They would interfere in the collective bargaining process, substituting the judgement of bureaucrats for the will of the employers and employees. They would further damage Ontario's already deteriorating international competitive position.

"'To act on these proposals would tend to confirm Ontario's already growing reputation as a jurisdiction which is not attractive or conducive to investment, production or job creation, and which is not supportive of the business that carries out these essential functions.'

"Yes, these proposed reforms have the potential to do irreparable harm to the fragile industrial fabric of Ontario. You must embark on a consultative process that will restore the confidence of the Ontario business community. Only in this way will our people be assured of secure jobs.

"I have concerns about the proposed changes to the minimum wage.

"The NDP have proposed to increase, over a four-year period, the minimum wage from the current level of \$5.40 an hour to 60% of the average industrial wage. If that policy was in effect today, the minimum would be \$7.20 an hour.

"This commitment has sparked concern about the impact of such an increase on the province's competitive position and job creation rates. What studies has the Ministry of Labour done?

"A study written for the University of Toronto's Institute for Policy Analysis by three University of Montreal economists indicates that the promise to increase the minimum wage to 60% of the average industrial wage will cost Ontario 53,000 jobs, primarily women and young people.

"How does this compare with the ministry's data?

"I have concerns about training and retraining programs for workers. These are primarily to enable them to compete in an increasingly global market.

"'We have a shortage of useful and effective training programs for workers, particularly older and immigrant workers.'

"The January 24, 1991 labour adjustment package announced by the minister contained \$25 million to laid-off workers. The Minister of Labour committed an additional \$1.3 million to the Transitions program to assist workers

over 65. An additional \$4 million will be allocated next year. The Minister of Skills Development has announced \$2 million for counselling services, \$1.5 million for skills training at Stelco and \$2.6 million to retrain the laid-off staff at Algoma Steel. The Minister of Education has announced \$10.2 million for literacy and basic skills training. However, there is no comprehensive strategy to encourage the private sector to train. But as the budget clearly stated, 'to move towards an economy in which workers and businesses are skilled and flexible in effecting change will require new approaches to training.'

"Has the ministry evaluated the Quebec model? Quebec's budget included a program designed to provide financial assistance to maintain 90% of a worker's disposable income while they seek training to upgrade their skills. When fully implemented the program will cost \$100 million. Last year, Quebec introduced a refundable tax credit aimed at businesses that invest in training their

workforce.

"I still have a major concern about Bill 70; that is, how it will be funded. Will there be yet another payroll tax that will provide another disincentive to doing business in this province and thus contribute to the further loss of jobs and closure of businesses?

"I would like to share some of my concerns about the Workers' Compensation Board with you. Instead of examining the previous year's WCB Annual Report, the standing committee on resources development focused exclusively on service delivery. It still appears to be inadequate.

"The level of service must be examined as well as the underlying reasons behind the deplorable levels of service. According to the Employers' Council on Workers Compensation, 'an unprecedented era of change and reorganization has left the WCB spinning out of control.' The brakes need to 'be applied and good management take root.'

"Major legislative, organizational and policy changes have taken place since 1984 and this has caused upheaval. The focus now must be on an improvement in the WCB. This means a complete moratorium on the development of new policies (hundreds of new policies developed over the last few years) and administrative changes. The WCB staff requires time and training to ensure that they understand all the new policies and are able to apply them fairly and consistently.

"It is also important at this time to take a look at the cost of the WCB system. Although the level of service has not improved, it appears that costs are running out of control. A complete assessment of the board's financial and service operations should take place at this time to assist the administrators in their planning and effective deployment of their resources. This is particularly appropriate at this time under a new chair and a new vice-chair.

"There are concerns about WCB's implementation of recent legislative reforms, particularly the changes in the law in the area of benefits (wage loss and non-economic awards) and reinstatement of obligations and rights. The practical application appears to verge from the intentions of the legislators. Yes, it is important that the WCB become more responsive and accountable to those it serves.

26 JUNE 1991

"I would like to conclude by saying that if we are to restore prosperity to this province and provide jobs for those who are unemployed, government, business, labour and educators must establish true partnerships and co-operate to prepare our workers to compete in the increasing global market. However, we should not only focus on creating new jobs; we must ensure that we retain the jobs that we already have. In order to do this, we must ensure that we do not burden our industries with additional taxes and costs, and that we carefully evaluate the impact of all new legislation. Only then can we restore prosperity to this province."

The Acting Chair (Mrs Haslam): I believe the minister can now take up to half an hour in his response.

Hon Mr Mackenzie: I am going to leave most of the points raised by Mr Carr, because some of them will be answered in answer to some of the questions that were asked yesterday, except I think there are at least three points that I want to touch on very quickly.

One, there is no question it takes time to change attitudes. We understand that. It is also one of the reasons we want to get involved and have moved to the extent we have and caught the attention of people in terms of some of the changes that should be at least discussed.

#### 1610

I really cannot see in the comments Mrs Witmer made why the wage protection plan would have any effect on jobs. That is money workers have actually earned, are entitled to and have not been paid and really should not have a major impact in terms of jobs.

It is the same thing, to some extent, for the local adjustment funds and programs and committees we announced. These adjustment programs are not just a quick fix. The training benefits not only workers but business as well. It is one thing we find very little disagreement with from either side, business or labour, in terms of putting training programs in place. The type and adequacy of them is one of the things we are working on and there will be some new initiatives in terms of training programs in Ontaric relatively quickly.

The other thing on consultation periods is that the only warning I issue—I will deal with some of the consultations we have gone through and some of the other legislation as part of my response to Mr Offer's questions—is that we can also spend a lifetime in consultation and not proceed.

One of the things that disturbed me more than a little bit was finding, when I entered the ministry, that we had gone through a process—I am not saying we had reached total agreement but we had done it in a number of areas; I think construction, health regs are a couple of examples—where recommendations, almost an entire package, had been arrived at with varying degrees of support, but all the parties had been involved in them, and they were sitting on the shelves since 1985 in one case and 1987 in another case, revisited a couple of times, but never got to the point where they were coming out the other end.

It was an attempt to break some of the logjams that made me realize we have to make sure that in the process of consulting we are not just delaying or stalling legislative changes where they appear to be necessary.

If I can go into some of the questions that we were asked directly, which will also answer, I think, some of the questions Mrs Witmer had in her letter as well, in the contract consulting field—I think it is in response to the questions first—the Ministry of Labour has a number of regular consultation forums involving its clients on an ongoing basis.

The Ontario labour-management forum brings together senior labour and management reps on a quarterly basis. The labour policy advisory groups are external advisers from the business and labour communities that meet separately every four to six weeks to review issues on the labour policy agenda.

The business organizations, which incidentally are involved in almost every consultation process we go through, include the Canadian Federation of Independent Business, Canadian Manufacturers' Association, Council of Ontario Construction Associations, Tourism Ontario, Retail Council of Canada, board of trade, and the Construction Industry Advisory Board, which met, I think, today or yesterday and brings together, on a quarterly basis, senior representatives of labour and management from the industrial, commercial and institutional construction sector to ensure that the ministry is aware of the concerns of the sector and to comment on Ministry of Labour initiatives related to industrial relations in the sector.

Pursuant to section 11 of the Occupational Health and Safety Act, the ministry establishes labour-management committees in a variety of sectors—mining, police, film and TV, firefighters, etc—to help develop health and safety regulations and to advise the minister on related issues. The joint steering committee on hazardous substances is also established under section 11.

In addition, the ministry has established other sectoral advisory committees to advise it on matters of interest relating to health and safety in other sectors such as logging and meat packing. Ministry staff regularly attend the monthly meetings of the construction industry's provincial labour-management health and safety committee and the regional trade labour-management committees.

In some specifics, because we were asked about them yesterday, we will provide notes that can be passed around as well.

Contract tendering in the service sector: The question was asked, what kind of consultation has the ministry undertaken with respect to amendments regarding contract tendering in the service sector?

The following consultations supplemented extensive consultations held during August and September 1990: consultations held in February and March 1991. Consultations in this area were held with 14 private sector employers, six employer associations, six ministries involved in purchasing contracted services, nine other ministries with an interest in this issue, the Ontario Federation of Labour, eight trade union groups and one community legal clinic. In recent weeks the minister has met with one of the major private sector stakeholders, the Building Owners and Managers Association, or BOMA as it calls itself, of Metropolitan

Toronto, and we have actually been complimented, believe it or not, including by BOMA, for the contact we have maintained and the discussions we had with them. This does not mean we always agree on all of the points, but we certainly have been meeting with them regularly.

In the labour adjustment field, because I think there has been a real interest in the labour adjustment field, we distributed 98 discussion papers on 29 January 1991. The consultations were held between 19 February and 28 March. Sixty-six groups participated in the consultation: 29 employer, 25 labour and 12 community groups. There were 19 written submissions received: 11 from employers, four from labour and four from community groups. Most of the submissions were from groups which participated in the consultation.

In the Employment Standards Act review, the consultation process, in the spring of 1990 a total of 56 organizations representing business, labour and community organizations were invited to participate in the preliminary consultation. More than 45 of these groups took the time to meet with the Ministry of Labour staff.

As these were preliminary consultations, Ministry of Labour staff explained the contours of the review and asked participants if they would be interested in sharing information with Ministry of Labour staff as part of the research component of the review. As it is now envisaged, it is expected that clients will have an opportunity to assist the Ministry of Labour with aspects of the background research, and following release of the green paper we will engage in a comprehensive round of consultations based on the issues raised in the green paper.

I have not read them out, I do not think it is necessary, but to give you all some idea of the employer organizations, I will just go through three or four and no more than that: the Ontario Chamber of Commerce, the board of trade, the Canadian Manufacturers' Association, the Council of Ontario Construction Associations, Tourism Ontario, the Retail Council of Canada, and it goes on and on.

The labour organizations: Ontario Federation of Labour, Provincial Building and Construction Trades Council of Ontario, Service Employees International Union, United Food and Commercial Workers.

The community organizations: the Ontario Social Development Council, Social Planning Council of Metropolitan Toronto, National Anti-Poverty Organization, National Action Committee on the Status of Women, National Association of Women and the Law, Ontario Council on Women's Issues, ONTERCEDE—the International Coalition to End Domestic Workers' Exploitation. It goes on and on. Those are some of the groups that were actively involved.

In the minimum wage consultations, which certainly provoked some interest as well, on 8 April 1991 a letter was sent from the deputy minister to 14 organizations inviting them to meet with the ministry officials to discuss their minimum wage revisions. The letter included a schedule of the current minimum wage rates and described the key components of the minimum wage review. Two groups were later invited to participate, bringing to 16 the total number of groups involved in the consultations. Consultations with

the 16 groups took place between 24 April and 10 May 1991. Three written submissions were received.

In addition to the external clients, the ministry consulted with other ministries whose clients may be particularly affected by the minimum wage, including, I might say, the ministries of Tourism and Recreation, Agriculture and Food, Education, Industry, Trade and Technology, Community and Social Services and the Ontario women's directorate. The ministry will continue to consult with government stakeholders and external clients as the minimum wage is revised in future years.

On pay equity, the list of the groups involved is attached. A pay equity-proxy comparison consultation paper was released in February of 1991 and sent out to approximately 1,000 interested organizations and persons. Consultations were held throughout the month of March and written submissions were received into May. Altogether, 107 groups made either a written submission or an oral presentation. Some groups provided both.

The public consultations were attended by 113 people representing 87 organizations, and an additional 20 written submissions were received from groups that did not attend the consultations, including two submissions from private citizens.

Of the organizations consulted, 74 were public sector employers and employers' associations. Also consulted were 21 employee groups, including 11 unions, four professional associations, five advocacy groups and one private citizen. In addition, several meetings were held with the Equal Pay Coalition and the OFL.

1620

The Ministry of Labour also met separately with the board of trade, the retail council, the CFIB and some large private and public employers to discuss both proxy and proportion value recommendations.

With regard to Sunday retail work, in January 1991 the Ministry of the Solicitor General wrote to 60 groups inviting them to participate in joint staff consultations with the Ministry of Labour on proposals which the government was considering for amendment of the Retail Business Holidays Act and the Employment Standards Act to establish a common pause day.

Of the 60 groups, 26 responded by meeting with the ministries. These included representatives of business—the CFIB, the Retail Council of Canada, Tourism Ontario and it goes on. Ten groups preferred to submit written briefs. These included labour groups, including the OFL. The groups involved in Sunday retail work are all listed on the added sheets as well.

With regard to the employee wage protection plan, and this is the last one we had questions about, we distributed approximately 100 copies of a discussion paper on wage protection on 31 December 1990. We consulted with 39 groups representative of business, labour and professional groups during January and February prior to the introduction of Bill 70. We received 15 written submissions prior to the introduction of Bill 70 and 20 written briefs since its introduction. We consulted internally with the Ministry of Treasury and Economics, the Ministry of Financial Institutions, the Ministry of Consumer and Commercial Relations,

the Ministry of Culture and Communications, the Ministry of Community and Social Services and the Ministry of the Attorney General.

Following the minister's announcement of amendments to Bill 70, the ministries conducted additional roundtable meetings with business, labour, insolvency professionals and representatives of the not-for-profit sector.

I think this gives you some idea of the fact that we have gone through a relatively extensive consultation process. One of the things I found as a new minister was that I never did know myself exactly what the consultation process was. I think the staff of the ministry do one heck of a lot of work in trying to meet with the various groups and go through the filtering process of what was said and reporting it back. I am not always sure we have got all of the groups that should be there on the list. We have certainly been adding to or updating the consultation lists in recent weeks within the ministry. I think that will give some idea. It also deals with a couple of the questions that were in Mrs Witmer's response.

I would like to have the deputy respond to the questions concerning budgetary costs, which were also raised by Mr Offer in the session yesterday.

Mr Thomson: There are two or three I think I can fairly quickly summarize.

One was the question of why ministry administration costs have increased by 10.2% this year. Some of those are really one-time costs. The costs related to the planning for relocation are in there. There is money in there for what is called the justice review project, which is an interministerial exercise to review the justice system as a whole and develop an overall policy framework. That money is in that budget simply because I happen to be the deputy chairing that exercise.

There is also \$350,000 there to provide added legal services to cope with the demands of the Askov decision in the health and safety area. We have had a fair number of cases that we have needed to process very quickly in order to avoid the problems of Askov in the health and safety prosecution area.

The rest of it relates to our basic ministry administration, and that is human resources and financial administration. That is about a 6.6% increase which really covers COLA and some resources related to the new initiatives we have; for example, the wage fund. To the extent that there are human resource costs or financial administration costs, some of those are located there. That really brings it down to only 6.6% in total.

With regard to the questions asked about the mediation and collective bargaining part of the ministry, it is true that budget has been generally constrained this year, partly in light of all the other initiatives taking place elsewhere in the ministry. But in addition, that is because we did get some added resources last year. We anticipated it would be a very difficult bargaining year and that turned out to be correct. We did provide some added resources in that area, for added mediation services in particular, for that bargaining. This year, while there are the same, in fact even more contracts reopening this year, we are not anticipating—and thus far it has turned out to be the case—as difficult a

bargaining year. We are not anticipating the same number of days lost through strikes and we think that with the additions last year we are going to be all right for mediation services and collective bargaining support this year.

There is a substantial increase to the public service appeal tribunals. In general, that is simply to deal with added workload, specifically to deal with grievances within the public sector. Last year there was approximately a 49% increase in the number of grievance applications and, overall, a 23% increase in the number of days the board needed to sit. The simple fact is there are a large number of added grievances, particularly in the area of classifications, and that has produced a huge amount of added workload, particularly for the Grievance Settlement Board.

With regard to the issue of our move out of Toronto, specifically the relocation to Windsor, Fred Peters, the assistant deputy minister of corporate services can answer any detailed questions you have. In general, we are talking about 425 to 450 positions moving from our head office to Windsor. At this point, the expected date for moving is 1995. I cannot tell you the overall costs because we do not know what they are at this point. For example, we do not know what the costs will be of construction for the new building that is being constructed in Windsor. We have some funds this year for the first stage of the planning.

A lot of the final costs will depend upon the final result of some negotiations going on at the Management Board of Cabinet level with both management and the union to determine what the terms will be, what the protections will be, what the supports will be that are given to employees who are moving. As you will know, there has been a promise of a job offer to those who are unable to move. There are a lot of other things to be sorted out. At that point, I think we will know what the long-term costs of relocation probably will be. At this point, we simply have a sum of money to do the planning this year that needs to be done and we are starting to help our staff to become aware of what is involved in moving to Windsor and what Windsor has to offer.

Hon Mr Mackenzie: One of the other key questions—I cannot remember who asked this, whether it was Mrs Witmer or Mrs McLeod-was how many labour disputes were referred to the Ontario Labour Relations Board in calendar 1990 alleging bad-faith bargaining under the act, which can be a difficult situation. In the 1990 calendar year there were approximately 106 complaints filed with the board alleging bad-faith bargaining under the act.

With regard to processing of claimants by the employee wage protection plan-and it is a question that came from one of my colleagues here earlier today as well—the employment standards branch has now received approximately 14,000 claims to the employee wage protection plan. Of these claims, 50% are under investigation, 17% are closed and ready for payment and 33% are unas-

signed.

To file a claim, a worker writes to or visits a field office of the employment standards branch and the details of the claim are investigated by an employment standards officer. If it is verified, an order to pay may be issued

against the employer. The employer has 15 days to respond to the order. An employer may comply, may appeal the order or may ignore the order. If collection efforts by the ESB fail but the worker's claim for EWPP compensation has been established, his or her file joins the backlog awaiting passage of the bill.

A claimant whose claim for EWPP compensation has been accepted is advised by letter and potential EWPP claimants identified by employment standards branch au-

dits of employers are also notified by letter.

How is the EWPP going to be financed? Is there going to be a payroll tax? The wage protection program will be financed through the consolidated revenue fund, as we announced in the House. That is the reason for the allocation of the \$175 million made by the Treasurer in the last budget for the first 18 months of the program.

We have no plans at this time for a payroll tax or any other form of tax. However, the Treasurer was given discretion to select the appropriate revenue-generating measures to finance all provincial programs, and that is a decision I guess the Treasurer will make at the end of the first 18 months this is in place.

How does the Minister of Labour respond to the recent study which indicates that the increase in the minimum wage will result in the loss of 53,000 jobs? I think it is important to note that the proposed minimum wage increases will occur over the next several years and will not be made all in one year. The increases in the minimum wage will be made gradually in order to minimize the potential adverse employment effect and the gradual increases in the minimum wage will restore the purchasing power which minimum wage earners have had eroded since 1975.

We know that 36,000 minimum wage earners are heads of a household and that over 56,000 minimum wage workers in Ontario have family earnings of less than \$15,000 per year. An increase in the minimum wage will provide significant assistance for these low-wage workers.

The minimum wage initiative is part of our broad strategy for the labour market and the antipoverty initiatives outlined in the budget paper. I think it is also important to note that most of the people who are receiving any increase in wages as a result of the minimum wage initiative are exceedingly likely to spend all of that money and not very likely to be banking any of it. So there is an unknown effect in terms of the additional purchasing power that is there as well. Certainly there is also a tradeoff saving in terms of some of the Comsoc payments that have to be made.

What are the costs of job-to-job comparisons in the broader Ontario public sector and the Ontario public service? What will the cost impact be of proportional value and proxy? We cannot give you the figures we thought we had on that, other than to say the total cost of OPS pay equity adjustments was \$130 million. This takes into consideration some increased cost due to classification grievances. It has been fully paid.

The cost to the broader public sector of job-to-job comparisons can only be estimated, as the Pay Equity Act does not require employers to file their pay equity plans. Moreover, some broader public sector employers are still negotiating their plans.

The Treasurer announced funding support for our major funding partners, including municipalities, school boards, hospitals, universities and colleges, of approximately \$100 million for 1991-92. An additional \$25 million was announced for 1991-92 for other transfer partners. Support for public sector pay equity costs will also be available in future years. The government will provide almost \$1 billion annually at maturity towards pay equity adjustments.

That is about all of the information I can give you on the costs on the pay equity plan. I still have a couple of minutes, I believe.

The Chair: We have lots of time, Minister.

Hon Mr Mackenzie: There were a number of questions on workers' compensation. But first, there is an additional comment on wage protection. I will turn it over to the deputy.

Mr Thomson: Actually, the question was about the number of staff who would be involved in delivering the wage protection program. We are a long way from that number yet. Ultimately, there will be 131 staff involved in administering that program. That is to administer it for the first 18 months. Some of those staff will not be there at the end of that time period, as the size of the program diminishes, we hope. But to support the program, which will spend about \$170 million in the first 18 months, that is the size of the staff overall in the branch that will be required.

I have a breakdown of who does what among those 131, which I would be happy to give you. Fifty-seven of them are basically employment standards officers trying to verify the claims that come in from employees.

Mr Offer: These are new people.

Mr Thomson: These are new people.

Hon Mr Mackenzie: I think it is useful to point out, although I am sure you have all figured it out as well, that the \$175 million in this plan for the first 18 months was based on our experiences to date and the worst-case recessionary scenario we are into. The costs on a yearly basis are substantially less. If we go to a milder recessionary basis and we get out of the recession, they will be substantially less still, but the questions were asked as to whether or not it is an ongoing cost. As long as we are going to decide to protect workers' wages, that is a factor.

With regard to the Workers' Compensation Board questions that were asked, in some cases it would probably be better, although we have done what we can with them, to have these questions asked directly of the board.

What is the government doing to improve service delivery? While we tried to deal with that, and I will not go into a lot of detail, my priority in this area since becoming minister has been to improve WCB service delivery. The ministry and the government have taken a number of steps to improve service delivery.

First, I made it very clear to the WCB administration that service delivery improvements had to become the priority for the board as well. As a result, the WCB has taken a number of initiatives which we will talk about in just a moment.

I meet with senior board administrators regularly. At these meetings I receive updates on the board's activities regarding service delivery. As well, I receive a monthly written report from the board which reviews the board's performance in particular service delivery areas. I think we brought with us copies of the most recent addition of this report. I would be happy to provide copies to the members.

The government recently appointed a new chair and vice-chair to the WCB. Both of these individuals share the government's commitment to improving service delivery.

As well, my parliamentary assistant, Sharon Murdock, has assumed special responsibilities in the area of workers' compensation. Ms Murdock, my staff and ministry officials regularly meet with the board on issues related to service delivery. Ms Murdock is also a member of the standing committee on resources development, which just completed hearings on service delivery issues. There are many useful comments and recommendations coming from the labour and business groups and WCB employees who appeared before the committee. As I said in my opening statement, I look forward to the committee's report and recommendations.

The board's steps in this area include the following: the board's client service division has provided a confidential phone line between MPPs' offices and the board; the board of directors has struck a special subcommittee, the operations review committee, with representatives from management and labour; the board has developed specific claims adjudication performance criteria, and the board is preparing to conduct a survey with employers, workers and injured workers on how to improve service delivery.

Recent reports indicate that the board is making improvements, especially in the area of timeliness. However, there is recognition that we must continue, especially in the area of quality improvement. A review of internal and external training programs available to board staff is currently under way as well.

What is the WCB doing to improve service delivery in the northern regions of Ontario? In the mid-1980s the board created regional offices with the express purpose of bringing the WCB closer to workers in all parts of the province. The board established two regional offices in northern Ontario, one in Thunder Bay and the other in Sudbury. Other regional offices are located in Ottawa, Hamilton, Windsor and London.

Since the newer regional offices were only created in 1987 and 1988, it is recognized that staff in these offices have relatively less experience than staff in the well-established offices. Special efforts are made to address the training needs of regional office staff and assist them with the management of difficult issues.

As well, in an attempt to improve service delivery in the regional offices, the board has approved the establishment of privately run clinics to deliver medical and vocational rehabilitation services. In the Sudbury area, five community clinics and two regional evaluation centres have been established. In the Thunder Bay area, 13 community clinics and two regional evaluation centres have been established.

I think this is the final or second-to-final one: Has the government passed a regulation defining "suitable and available" employment under section 45a of the Workers' Compensation Act?

Bill 162, specifically section 45a, requires that the board, in determining what a worker is likely to earn in suitable and available employment, have regard to a number of factors.

The board, in its efforts to develop policy for the interpretation and application of section 45a, worked with an external consultation group consisting of employer and labour representatives for over two years. In December 1990, the board of directors approved a series of recommendations to define "suitable and available" employment based on the recommendations from the external consultation group.

Section 45a and clause 69(1a)(e) contemplate that the policy may be prescribed by regulation. Given the sensitivity of the issue, as well as the relative inexperience the board has had with section 45a—the board has been making decisions under section 45a since January 1991—a decision was made to apply this section through the use of operational policy guidelines.

#### 1640

The board of directors will review the policies in one year, or at such other time as the board of directors may direct, to determine if any changes to the policy are required. Following the annual review the board of directors may make regulations governing suitable and available employment.

What is the rate of appeals to the Workers' Compensation Appeals Tribunal was another one of the questions. I have had the officials of my ministry contact the WCAT and I am now in a position to respond to the questions regarding the WCAT case loads.

In the calendar year 1990 the WCAT received 1,524 cases. In 1990 the WCAT disposed of a total of 1,587 cases, 985 by written decision, and the remaining were disposed of before the hearing was completed.

Because the WCB and the WCAT have different data banks, it is very difficult to determine the actual rate of cases that reach the WCAT. It would also depend on what you define as "rate." If it is the rate of all WCB claims, it would be very low. However, if it is the rate of appeals from the board's hearings level, the rate would be much higher.

How many appeals relating to Bill 162, specifically with respect to reinstatement provisions in section 54b of Bill 162, have been considered by the WCAT? For 1991 and as of 31 May 1991 the WCAT received nine reinstatement cases and has disposed of one case. The remaining eight are being scheduled for hearings at this point in time.

I think that probably answers most of the questions, unless I have missed a few, that were asked during the course of the presentations yesterday.

The Chair: Thank you very much for those speedy responses and for reading them into the record. I am guided by the committee, but I think if that constitutes the

minister's response then we can go back to our regular rotation.

Mr Offer: Mrs McLeod would like to ask a question based on some of the final comments of the minister.

Mrs McLeod: Just to make an observation, there was a tremendous amount of information provided about the appeals process to WCAT. It was not actually relevant to the specific question I asked, and perhaps that is because the information is not available in that form. Obviously my concern was to know what the impact has been of the deeming clause and whether or not it has led to the kinds of concerns workers believed it would lead to when the legislation was introduced.

If that information is not available so that we can get a sense of whether that has been a focus for problems since January, perhaps there is some other forum in which we can get the information at a future date.

Mr Thomson: I thought the question related to the reinstatement issue. Perhaps Mr Toker can tell you exactly what the impact has been to date. Mitchell Toker is the senior policy adviser in the policy branch who deals with workers' compensation issues.

Mr Toker: The long and short answer with respect to appeals regarding Bill 162 amendments is that it is very early right now to tell you. In fact, it is too early for there to be appeals at the WCAT. In the area of reinstatement, because the board has adopted a very quick route for having appeals determined because in reinstatement it is very important to have a result quickly, that is why you have about nine cases being referred to the appeals tribunal.

My information at this point in time is that no other areas dealing with Bill 162 have reached the WCAT on issues regarding suitable and available employment and the deeming under section 45a. It is really only in the last few months that the board has started to make decisions under section 45a.

Mr Offer: Minister, thank you for your response to some of the questions that were posed, and as well to the deputy for providing information on a variety of areas.

I would like to touch upon probably five areas in the time permitted, hopefully in a brief way. I want to revisit minimum wage and I want to ask whether in the minimum wage area there is discussion over whether the current exemption for farmers is going to be abolished.

**Mr Thomson:** I am looking at Canadian policy to get ready to answer your questions.

Mr Offer: On that same general topic, you, Minister, might be able to share with us when you expect to make the minimum wage announcement for this year, when it will be effective and whether you anticipate that in the following years there will be, in the traditional sense, a single announcement each year or whether there may be staged announcements throughout the year. That would be my first set of questions on that area.

Hon Mr Mackenzie: In terms of the minimum wage, it was our hope and it is still my hope to be able to make the announcement before we leave here tomorrow, but I cannot give you any more details than that in terms of

what we will be announcing. I obviously will not until this is done in the House.

Mr Offer: I will make certain that I will be in the Legislature tomorrow.

The Chair: Or read the early Toronto Star, one or the other.

Hon Mr Mackenzie: In terms of the farming exclusions, I think you asked about, that is part of the process that is very much under discussion now. It is one of the issues that will be part of the discussions that are set up over the next period of time.

I am just not prepared to comment on what the status is of any farming exclusions from legislation.

Mr Thomson: I would add that I think, in general, agricultural workers, harvest workers are covered under the act and the minimum wage is paid to them. There is a different date in the year when the increases normally come into play for harvest workers, for example. Normally we do it as of 1 January each year. But there is not a broad exemption of them, although they are exempted from other parts of the Employment Standards Act. That, as the minister says, will be dealt with as part of the Employment Standards Act review, which will take some time.

**Mr Offer:** It seems to raise another question for more information. There is now a differential between minimum wage for youth, is there not?

Hon Mr Mackenzie: Student differential?

Mr Offer: Yes, I am wondering if you might share with us whether you are going to be abolishing the differential.

Hon Mr Mackenzie: I think you are going to have to wait for the announcement we make on that.

**Mr Offer:** You said there might be a statement tomorrow. How am I going to make it through the evening?

The Chair: There is a baseball game on that might divert you.

Hon Mr Mackenzie: You are well aware of the trouble I would be in if I were making an announcement in here before I made it in the House.

Mr Offer: I would not raise it, I can assure you.

If I might move on to—I thank you for that, that is somewhat helpful—the wage protection fund and the amount of dollars that have been set aside, as I recall, being \$175 million projected for the next 18 months, I imagine that projection is on the basis of an estimated number of individuals taking up the plan. In other words, when we sift through it all, how many people are going to be the victims of a bankrupt company? I wonder if you might be able to share with us whether your estimation is in line with the actuals.

Hon Mr Mackenzie: The only thing I can tell you is that when we established the figure the work done on it was done on a normal, a mild recessionary and a worst-case recessionary mode. We picked the numbers on the basis of a worst-case recessionary mode for the first 18 months, so I would hope—I do not think anybody can ever give any guarantees—we are adequately covered. If indeed we are able to access some of the federal funds, although it

would be a very small part under their legislation, it may even assist us a bit, but that we do not know as yet.

1650

Mr Offer: I think it is clear this has been a fairly substantial recession and I am wondering if you could provide information as to whether the worst-case recession scenario used to estimate the amount of dollars required for the program is within what has actually happened in terms of the recession. I guess there are a number of indicators out there now to say that we may be moving out and lightening up in terms of a variety of areas. It would seem we would have a fair idea as to whether we are within the estimation.

Mr Thomson: What we did was try to estimate the number of employees who would show up in different kinds of economic climate. The difficulty is that because the bill has not passed yet, we have not really done substantial work to publicize the existence of the program. So the numbers we have been gathering of employees up to now has really been based upon the discussion of the program, the initial announcement that was made a number of months ago. Based on those numbers, we will definitely have the dollars available to deal with the claims that have been made and what one would anticipate for the next period of time.

What we do not know is how many people are out there who will file claims once the program is in existence and we are able to be clearer about the fact of it being in existence. Even there I think we have anticipated the most one could hear from. It is just that at this point I do not think we have anything like accurate figures because we do not have a program really to publicize yet.

Mr Offer: There are a couple of questions I might want to carry on in that area. But on not having a program, I think the minister stated, in terms of the wage protection plan, that some are actually being processed now. Not that cheques are being issued, of course not, but investigations are being undertaken. Information is being elicited and in fact availability of appeal is being issued to employers giving them the 15-day opportunity. I believe that is how I heard the minister respond. My question is, how can that happen if there is not a bill that has yet been enacted into law to give an employer a 15-day notice of appeal?

Mr Thomson: I think the answer is, and there may need to be someone to add to this, that we still have employees showing up seeking their statutory entitlement. We have the power to attempt to recover that from employers right now. It has nothing to do with the fund. The fund is there as a backup, when and if it is established.

We would still be dealing with employees' claims, as we normally do right now, and making orders against employers which would give employers the chance to appeal those orders. That is just the normal work of the employment standards branch.

Where the fun comes in is, when and if those orders are not met then one can make a claim against the fund. The extent to which we have been processing cases for the fund in advance really ties to the fact that the decision was made to backdate the program to last October.

If we do not start gathering information about people who were unble to collect from their employers, whether we made an order or not now, then we will have such a backlog and such outdated information by the time the program is in place that we will not be able to respond to employees' claims accurately or quickly. That is why we have been gathering files to show people who are entitled to money from their employers and are not collecting it so that when and if the program is introduced, we then are able to say, "You're entitled to a claim against the fund."

It is really information-gathering to enable the fund to function once it is in place, but in the meantime we are doing the regular work of the employment standards branch, which involves seeking money from employers on behalf of employees. We are continuing to do that wherever we can.

Mr Offer: You will just have to help me out on this one. The investigation, an inquiry and appeal process, which is currently being undertaken by the branch, is one which is not done under the umbrella of the wage protection fund or any of the contemplated amendments, but would have been done in any case, and there is nothing that is being done in terms of investigation of the claims which would not otherwise have been done. My question is, how can you do it when there is no law?

Mr Thomson: In general the answer to your question is yes. The one exception I think I could cite is, if a company goes bankrupt, up to now we really do not do much to even verify the claims because there is no money there to pay. Now that there is potentially a fund in the future, we are gathering information in bankruptcies that we did not use to gather so that if employees show up seeking money from the fund, we have got the information.

So we are processing cases further down the road than we used to because without the fund, in a number of cases you really would not go that far because if it is a bankruptcy and the creditors are not being paid, there is not any money for the employees as well. To that extent we are gathering information, but we are not doing anything to process any actual application against a fund that does not exist yet.

Hon Mr Mackenzie: We have always had the authority in the ministry, where there is non-payment of an employee of something he is entitled to, to examine and investigate the case. Because of the fund being set up—and I think the figures are worth using—we would probably be farther ahead than we are right now. Of the 14,000 claims there now, 50% of them are under investigation and 17% are closed. In other words, if the bill were in place we could pay the 17%, and about 33% of the claims have not been assigned or we have not started investigating them yet.

Mr Offer: I know my time is just about up. I want to ask one further question and revisit maybe some of these things later on if time permits. It has to do with Bill 208. I know the minister is intimately aware of Bill 208 and would now be aware that under the bill there was a clear commitment—and I speak about the safety associations; I think there are nine, 10 or 11 safety associations—that the

composition of the worker representatives on the safety associations would not have to be completely from organized labour. That was integral to the bill and was very clearly understood by all of the interested parties to the legislation, including organized labour. I am wondering, Minister—this is an extremely important area—whether you can confirm that you will ensure that commitment is carried out.

Hon Mr Mackenzie: That is the commitment at the moment, and I have no particular intention to change it. I am hoping that if the performance of the agency continues to be successful and useful it may set a pattern for some of the other associations. But if you are asking if there are currently any plans, I do not have them.

Mr Thomson: The agency has been working with the associations around the issue of the composition of the board, and it is true they have been encouraging them to consider the kind of makeup that exists at the agency itself. But there is no specific requirement in the act with respect to the makeup, only that it reflect the membership served by the association.

Different associations are working out different answers. One in particular has put unionized persons representing labour and has actually put a couple of non-unionized worker representatives on the board in addition to that.

**Mr Offer:** I think the associations will be pleased to hear that that commitment will be carried forward. It is a very crucial aspect of the bill to them.

Mr Carr: One of the questions I had was on the overall relations between labour and management. I was wondering what you plan to do as minister, because it is my feeling that if we are ever going to be successful in being able to compete with the rest of the world we are going to need better co-operation between management and labour. As you know, in a lot of industries that has not happened. I was wondering what you will be planning to do to try and bring those forces closer together in terms of co-operation, and specifically what programs you will be doing that might be new and different that will attempt to do that over the next period.

1700

Hon Mr Mackenzie: I think you are really asking a continuation of—I am not sure you would really call it philosophical—the discussion I engaged in with Mr Daigeler earlier, in the session yesterday. As a philosophy, I guess I might be repeating or duplicating some of it, but we are interested in fairness and in the ability of workers to take part in the decisions that affect them in the workplace.

We think that, for example, Bill 70 is a classic example of fairness to workers who deserve to be paid for work they have performed, money they have earned and have not got. We think the labour adjustment programs, as I said earlier, are not just a quick-fix. They are something that seem to meet general support from both management and labour, and are not only of assistance to workers looking for a job, but the training benefits workers and business

now and in the future. We think the training will help to assist vulnerable workers.

We think the emphasis we are putting on health and safety issues and the involvement at the agency and in the workplace of workers and management on a more equal footing is something that leads to more co-operation. We find that more co-operation and working together usually has a beneficial effect in terms of productivity as well.

One of the most dramatic changes that has been occurring in the workplace has been the role of women. In principle and in practice, with pay equity we are now trying to redress some of the historical wage gaps and imbalances that have been there for women in the economy. I think this and a commitment to retraining and strengthening pay equity measures is another measure that is working towards fairness and equity in the workplace.

I do not think anyone really believes that the way to generate higher profits and greater wealth in this province is by lowering wages or lowering the benefits or standards that our people have and that workers can expect for their families. I do not think that being actively pro-labour, which is one of the accusations I have had since I took over this ministry, implies that one is automatically antibusiness. I may have had some beliefs as to where the balance is in the situation, but most people today would be crazy to be antibusiness. It does not make any sense and I think most of us who think about it recognize it.

What does make sense is getting us together a little more on a more co-operative basis. I have indicated some of the programs that are in place. Some of the ability of workers to organize, as I said yesterday, and to engage in free collective bargaining I think is a leveller and something that can make it easier for management and labour to co-operate as well.

There are the safety nets you set up for workers, because they are very much affected by the economic decisions that are made and their ability to participate. We obviously need a better mechanism and we are working on that for employee buyouts. I have said many times that it is likely to never reach even 1% of closures. Maybe I am just picking a figure out of the air, but I know it is never going to be a major tool. But to have in place legislation that does allow it and does make it easier could very well save some of the plants and maybe even involve workers themselves in an exercise in entrepreneurship, if you like, or in partnership with other people who might be willing to take a look at a plant that otherwise is going to close down.

If we are not putting in place the mechanisms that bring about this kind of co-operation, I think we are missing the boat in what is going to be a very trying time with what is happening in society today. I have no difficulty at all in saying yes, I want to find ways and means of increasing the participation and the protection of workers. That does not mean necessarily at the expense of business, but that is always the argument you get raised, that if somehow or other you are helping workers, you are going to hinder business. I just do not buy that philosophy.

Mr Carr: One of the other questions I have, and forgive me if we go over some of the ground again because I 26 JUNE 1991

was not here yesterday and hopefully we will not revisit things that were—

Hon Mr Mackenzie: I am sorry. I have difficulty in hearing.

Mr Carr: Okay, I will yell. Forgive me if we go over some of the things that were discussed yesterday. One of the big concerns I have is the training of the workforce. You would be working in co-operation with various ministries in that regard, because it works through all areas. If I could, I wanted to see what your game plan was in that regard, where you see us heading. Fundamentally, I believe our standard of living is going to be in direct proportion to the skills we give people. In the past we have always figured that the skills you have when you come out of school were it. As you know, we are in a rapidly changing world where the skills of yesterday are not good today.

As the Minister of Labour, where do you see it, with what input and how are you going to co-ordinate with the other ministries to get the skills upgrading, with a particular emphasis on knowing what skills are going to be needed? This is the difficulty everybody faces. I just want to get an overall sense of where you see that going.

Hon Mr Mackenzie: My ministry had the responsibility for trying to co-ordinate the labour adjustment committee generally and the \$31 million or \$32.5 million we announced. You heard the money we had to spend, and then a series of announcements from some of the other ministries. One of our initial efforts there was to make sure we were not duplicating. We were trying to get a better look at the kinds of programs needed when you get into worker retraining.

As you know yourself, there are a wide variety of needs in some of the plants. I have gone through some situations in Hamilton where you get an older heavy industry shop or a foundry operation and you find there are a lot of workers who may have served a long time in that plant. The biggest need they have is English as a second language or skills upgrading or some of the very basic education. You get others who could use apprenticeship programs or specialized training. It is one of the reasons why the government is currently working on what has been known as OTAB, or the Ontario Training Assistance Board, hoping to co-ordinate with some direction from various stakeholders—business, labour and the communities and the community facilities that are available for training people—and develop a much better training program than we have had.

In terms of training, in my opinion we have fallen behind. It is obvious that in apprenticeship we have fallen behind many of the industrial countries, particularly in Western Europe. That is one thing. I am not sure how many items we would agree on, Mr Carr, but I agree with you totally that we are going to have to do a much better job of training and retraining workers and developing the skills if we are still going to be able to come up with a high-wage, productive labour force. I think anything that is done in that particular area is going to be vital to us in this country.

Mr Thomson: I just wanted to note that there is an exercise going on involving our ministry and some other ministries to look at what kinds of structures should be in place for the delivery of training in this province and how we might meld federally with the recent announcements with respect to the creation of a labour force development board. In the relatively near future there should be announcements made with respect to the direction in which this government wants to go in terms of the structures and methods of delivering training to workers in Ontario.

Hon Mr Mackenzie: While we have been very much involved in this and several other ministries, I think probably one of my colleagues in the Ministry of Skills Development has sort of taken the lead in this particular exercise we are going through at the moment.

Mr Carr: One of the questions I have relates to the minimum wage. One concern I heard voiced when I spoke with some people who are involved in this is that they do not have much of a problem with the people who are coming in who would be on the minimum wage. But as you know, there is the bump-up effect; for somebody who is close to that they go up. How do you see that happening? Do you see that as a problem? Is a lot of that happening? How are you going to address and handle that? Maybe you could just give us some of your thoughts on what you think.

Mr Thomson: I just need to point out that there is literature and research that has been done on the so-called "ratchet effect" of increases in the minimum wage. The literature is not all that clear, but there is some suggestion that for some distance above the minimum wage—many say about \$1 at the most—there is a ratchet effect; in other words, increasing the minimum wage does move people who are close to the minimum wage.

Once you are about a dollar above the minimum wage it is other factors that determine what you are paid and it is not so much the increases in the minimum wage that determine what happens to your wage. But for about a dollar—and I should say the literature varies on this—there is an impact upon employees who are close to the minimum wage.

1710

Hon Mr Mackenzie: I can make one other comment on it as well. We had a productive meeting with one of my colleagues, the Minister of Tourism and Recreation, and the hospitality and tourist industry a couple of weeks back. This is one of the questions they raised. First, I found it interesting, because there were representatives from small restaurants, a single hotel, an outfitting operation in northern Ontario and a number of business groups. One of the things we asked them, because they were making a case, obviously, against substantial increases in the minimum wage, was how many of them in the room-and there were, I think, 11 or 12 business people there who were individual business people, most of them smaller business operations—were paying the minimum wage. There was not one of them-I have to take their word for it-that was paying the minimum wage. Some were not far above it.

They did request and raise the concern that it would bump

up those just above the minimum wage.

I think the deputy is right that there will be some effect on that, but when you are in tough economic times there will also be some absorption of that, which does not make me particularly happy. I am not sure that the ratcheting effect will be as strong in tough economic times as it would if the times were not so tough. But that is a judgement. I cannot give you any evidence to support that either. There are people who hold that view.

The Chair: I wonder if the committee would bear my own indulgence if I asked the minister a question. Minister, I was informed by your colleague the member for Hamilton West a year ago that there was a report from one of the western provinces about the impact of the raising of the minimum wage. I am wondering if you are familiar with that document and/or you could make it available to the committee.

Hon Mr Mackenzie: I am not personally aware of it.

The Chair: It was in concert with our work with the Social Assistance Review Committee report and with our work on a food bank review by Mr Allen and myself. I wonder if you are familiar with that report. It was referenced in one of the recommendations.

Mr Thomson: I have seen a summary of the various bits of research that have been done, and I would be happy to have us review that and try to find that particular report and make it available to you.

The Chair: My other short one was, since our time is coming to a close, if the process of student rates in this province differentiates whether or not a student is leaving high school or attending a university—the break point means that a grade 13 graduate or a secondary school graduation diploma student is ineligible for the higher rate as paid by the provincial government. I am getting a sense from your policy person that we have a quick answer to that question, but I certainly have concerns about the fact that some students who would be entering a post-secondary institution would be working at a government job alongside those persons who would be receiving higher remuneration for the exact same work, yet they would both have to bear the costs of their post-secondary education. Could you comment on that, and has there been any adjustment or attention to this issue in the last year or so?

Mr Thomson: It is an age line. It is a student who is 18 and under who is subject to the student differential, so you could have a 17-year-old student working with a 19-year-old student doing the same job, and the 19-year-old would get the full minimum wage; the 17-year-old would get the differential. There have been no changes in that for a period of time. As the minimum wage has gone up, the differential has gone up. The distance between them, which I think is 80 cents, has been maintained.

The Chair: I am sorry. My question was about the paying practices of the province of Ontario for its employees. I am looking at the junior ranger program and programs of this nature. I have tried to make clear that this was a unique feature of the way the province pays students, not as a function of age but more a function of

where they are going, whether they have come from postsecondary institutions or whether they are going to be going to one for the first time.

Perhaps you can get back to the committee on that. I have raised it the last three years and I thank the committee for allowing me to put that question on Hansard, because I think it is of concern to all of us.

Mr Thomson: We can certainly get you the answer. I am not sure whether any member of staff here actually has that answer right now. No. We will get that answer for you and you will not have to wait until next year to get it.

The Chair: Thank you very much.

Mr Lessard: The minister knows that I am a member from Windsor, an area that has really been hard hit by layoffs in the last year or so. Something that is of concern to me of course is the closure at the Welles Corp that happened to take place in the beginning of September last year. There were 135 employees working at that plant, and that was a plant that had suffered from a fire about three years ago and then received substantial assistance from the federal and provincial governments in order to rebuild in Windsor. Up until this point, none of those employees has received any of the severance pay owed to them. I wonder if this is a case you are aware of and, if so, could you tell me what steps may have been taken by the ministry to try to obtain the severance pay that is owed to the employees and any other efforts that may be taken to assist those workers who were subject to the closure at Welles Corp in Windsor.

Hon Mr Mackenzie: I am not sure we have any more up-to-date information than I have been able to find so far. One of the questions I was asked in talking to the workers themselves was whether there was any possibility of backdating—what do you call it?

Mr Lessard: Making the fund retroactive before 1 October.

Hon Mr Mackenzie: That is just not in the cards. I think Peter Ferlejowski is here and may be able to give us some more information in terms of this case. He is acting director of the branch.

The Chair: Could you speak into the microphone and identify yourself for Hansard.

Mr Ferlejowski: Peter Ferlejowski, acting director of the employment standards branch.

We completed an investigation at Welles and in February 1991 wrote an order for almost \$900,000 in severance pay entitlements for 135 workers. Of course, the company is insolvent and not operating. We have pursued means to try to recover based on filing a writ of seizure and sale on the property in Windsor. If there is a sale of the property, there should be at least some money available to pay the employees.

Mr Lessard: Are there other creditors, who would come before these workers if that building were sold?

**Mr Ferlejowski:** There are other creditors, but there is a possibility there will be sufficient moneys left over to pay at least some of the entitlement of the employees.

Hon Mr Mackenzie: As you are probably aware, one of the things we are trying to have the ministry people find out as well—I passed the note on when I came back from Windsor a couple of weeks ago—is whether the stories we got from some of the workers are accurate, whether the mortgage on the building in Windsor, which is supposedly worth something like \$700,000, is excessive or not and just what there would be in the way of moneys available if whoever holds the mortgage on the property were paid off first in the deal. I guess any hopes we have there do depend on what is left if, indeed, this is the situation. There were rumours of an inflated mortgage on it, but I cannot verify that myself.

1720

**Mr Lessard:** At this point do we not know if anybody else has taken action to sell the building and pay off the mortgage? Has nobody else started to do that yet?

Hon Mr Mackenzie: I am not aware of it. I am not sure just how much we would be on top of that, Peter, whether you can—

Mr Ferlejowski: I am not aware.

**Mr Thomson:** We can try to find out and let you know what we do know or what the employment standards officer who is handling the file knows about that. Would that be possible, Peter?

Mr Ferlejowski: Sure.

Mr Perruzza: Before I proceed to ask my questions, I think it might be worth while getting into Hansard that when the Chair requested to ask questions of the minister from the chair there was no opposition from the government side of the committee. I know that in the House we have been accused on many occasions of being obstructionist and disrupting the work or the questions of both the opposition and the third party in committee, and I would just like to have noted in the record that we are and have been very co-operative in this regard, as you will attest to.

The Chair: Thank you, Mr Perruzza. We are all anxious to see that performance moved to the second floor on any occasion.

Mr Perruzza: I think our side of the House would welcome that far more than either the opposition or the third party. Fundamentally we all look forward to the day when we can work in co-operation and in a positive way and can receive positive suggestions from both the official opposition and the third party. I think that would be welcomed by all members on the government side.

A number of very important issues have been touched on in this committee. I have been listening closely to some of the concerns that have been raised by my colleague the member for Windsor-Walkerville. I too represent a largely working-class riding. An overwhelming number of people in my riding work in the construction industry, and I would like to ask some very specific questions as they relate to carpentry work in the construction industry.

I know this area very well because I have worked as a carpenter myself, and there is something that has bothered me in terms of safety on the job and in the workplace. I do not know if the minister would like to refer this to one of

his staff who is very familiar with construction regulations, but it has to do with roofing of houses and at what pitches the roofs have to be before safety measures are required, through scaffolding in and around the roof of the house and so on.

I would like to ask some questions with respect to scaffolding as well, because I know the issue of scaffolding is a very sensitive one, and I know that a lot of work-related injuries, especially on construction sites, arise (a) from roofs and roof-associated injuries and (b) from scaffolding. Is there anybody here who would be able to answer some questions on that? If not, I can leave them until another time.

Hon Mr Mackenzie: I think I will call on Tim Millard.

The Chair: You always have Fred Peters as backup. He spent a lot of time in housing. He is their second-storey man. No pun intended.

Hon Mr Mackenzie: I think your questions are legitimate. We have just gone through an exercise, as you are aware, of some of the construction safety regs which have been tied up for quite a while. We finally got them out the other end of the system, as we say. Construction health and safety is an area that is of concern to the ministry. That is why we moved as quickly as we could on the construction regs. Tim, maybe you can respond do this.

Mr Millard: I am Tim Millard, the assistant deputy minister of the operations division, Ministry of Labour.

Would that you had not called me, because I do not know the answer to that question. The slope and pitch of the roof are of course very contributory to the peril of falling. Being the son of a builder, I know the perils well, but that is not the criterion established in the regulations. It is of course the danger of falling and the height requirements. Those are just in the process of being revised in the new construction regulations.

I will undertake to get back personally to the member or to the committee with those parts outlined in the construction regulations and follow it up that way, if that is satisfactory to the Chair and the member.

Mr Perruzza: Okay.

Hon Mr Mackenzie: Can you deal with the scaffolding as well?

Mr Millard: Of course there is a requirement that there be "a competent supervisor and a competent worker to be associated with and oversee the erection of the scaffolding." We are involved with a number of contractors and unions trying to determine the kinds of criteria that need to go into training that would comprise adequate competency for that competent worker or supervisor to oversee the erection of a scaffolding. We are working on that at the present time as well.

Mr Perruzza: When scaffolding is erected, especially when bricks are being laid around houses, you have a very elaborate scaffolding set up. The possibility of scaffolding turning over at the stage when the entire house is being done is nominal. But when the bricking on the house is close to being finished scaffolding begins to be removed, especially in a subdivision where the work has to proceed

fairly quickly. In most cases it is on a piecework basis and so on.

Scaffolds get left behind for bricklayers to finish the chimney stacks and that kind of thing. More often that not, one or two columns get left behind and you usually find a bricklayer dangling on the top of these things with the scaffold tied to the chimney stack. I do not know how you would monitor things like that. It is just something I point out.

The other comment I wanted to make was with respect to safety shoes. More often than not, safety shoes are not very conducive to allowing people to work on roofs and stay on roofs with them on because they have a hard surface underneath, especially on aspenite. Aspenite is being used in most cases now to seal off the roofs of houses. It is very difficult for these shoes to stay on pitched roofs and on aspenite, especially with some sawdust, etc, on them. You find that these people are not wearing safety shoes on roofs, although we have rules that say you have to wear these safety shoes. When you force them to wear those types of shoes, you are really increasing their chances for injury and for slipping off the roof.

In trying to protect somebody from getting a nail in his foot or from hammering his toe, you are potentially putting him in a situation where he is going to slide off the roof and break his leg, or worse, kill himself or herself.

1730

Mr Millard: There are two issues: the one of the base of support of the scaffold as the height increases—the base support is to increase commensurate—and you should have a base that would support that height of scaffolding so that it is solid.

We have engaged ourselves in the construction health and safety area in a number of targeted inspections of the low-rise residential construction sector because there is a preponderance of those kinds of accidents. Accidents that involve falls are still the biggest killer in the construction industry. We do very targeted inspections on the residential construction sector and we will continue to do that. I will ask that my staff pay particular attention to leftover scaffolds that bricklayers must use in perhaps an unsafe fashion.

In your question and your assertion with respect to the safety footwear, you are right with respect to the traction one can gain with common sneaker footwear that one might see shinglers and roofers using from time to time. Of course, the requirement is for a fall-arrest system. You will know, of course, from your experience in the construction industry that you do not stay on the roof, and when you leave that roof, the possibility of significant foot and leg injuries as a result of not wearing safety footwear is also very much ever-present, so we require fall-arrest systems, including the use of tie-offs, and the use of a system you would be well familiar with that would allow you to use backups of planks and any kind of fall-arrest system on slopes up to eight and the most significant of pitches on a roof.

But we require a fall-arrest system, so that in fact you cannot fall from the roof. That is why we require the safety footwear to be worn in those situations. We try to protect against both of those first with a fall-arrest

system in place. You are quite right when you assert that people do go around the fall-arrest system to avoid our regulations.

Mr Ferguson: I think most of the members of the House are vitally interested in the workers' compensation advisory program, particularly the office of the worker adviser. I am sure you are well aware, having had the opportunity for a number of years to operate a constituency office, that the number of workers' advisers in the field has a direct correlation to and a direct workload factor on constituency offices.

I note in the estimates there is approximately a 20% increase in the budget. I am wondering if you could advise the committee whether there is going to be a substantial increase, or any increase at all for that matter, in the number of workers' advisers in the field. I am told that in the Kitchener area some individuals in the office of the worker adviser are presently carrying case loads of up to 650 individuals, which I am sure you can appreciate is crisis intervention at best. I think any thoughts you would have on the matter would be appreciated by all 129 other individuals concerned.

Hon Mr Mackenzie: I certainly agree with you that a workload of 600 or better cases is not a manageable load. I am not sure if the deputy can give us an answer or if we have somebody on staff here who can help.

Mr Thomson: The increase was specifically to allow for an increase in the number of worker advisers to handle the added case load associated with Bill 162 and just the general added case load. I do not know the exact number of worker advisers that will be hired, and I also do not know which offices they will be assigned to. I know that Rosemary Tait, the acting director, is in the midst of resolving that with the rest of the program.

I can probably give you a breakdown of how many worker advisers will be hired and the general plans to allocate them among the different offices relatively shortly. I am not quite sure whether that has been finally determined, but it may be that Jean Read, the acting assistant deputy minister in that area, can answer that question.

The Chair: Welcome back, Miss Read.

Miss Read: Thank you. The resources that I understand have been added are that there will be 13 classified intake counsellors annualized in the Office of the Worker Adviser's regional offices to continue to work on new cases and the backlog. As well, two new intake counsellors will be hired for the Sudbury and Ottawa area offices respectively. An additional classified worker adviser will be hired in the Thunder Bay office to extend representation services to clients in the large northern area covered by the office. In the central region, I understand there will be three additional worker advisers hired to provide representation services, two in Kitchener and one in London.

Mr Ferguson: That is going to provide some muchneeded relief—and let me tell you, it will be most welcome—to those individuals in those offices. You are doing a fine job, Minister.

The Chair: Thank you, Mr Ferguson. Mr Offer, if I could get you to collect yourself, the floor is yours.

Mr Offer: On the wage protection fund, you said there was a worst-case scenario. I am wondering if you might be able to provide to us the information dealing with the scenarios in terms of the takeup on the program. Second, upon the passage of the program, is there some program that will be undertaken in terms of its advertisement, if you could share that with us?

Mr Thomson: We do have an estimate we work with in doing both the costing and developing the program. I do not know the exact figure we worked with and whether we estimated how many employees would show up in the first 18 months, but I think we can give that to you fairly quickly.

Mr Offer: That would be appreciated if you could provide that to the committee.

**Mr Thomson:** That is the number of anticipated applications.

Mr Offer: Yes.

Mr Thomson: We plan to advertise the program. The resources we have obtained for the program overall include some modest funding to publicize the program's existence. We have been concentrating on getting the bill ready for passage rather than on advertising the program once the bill passes. Certainly, by the time we come back with further estimates, if that is happening in the summer, we can tell you what our general plans are to publicize the program when and if the bill finally passes.

Mr Daigeler: With regard to the wage protection fund, the federal government has now announced its own plans. How is the minister seeing his own project dovetailing with the federal plans? How are you working with the federal government to harmonize the two projects?

Hon Mr Mackenzie: I am not sure whether I mentioned yesterday that I met with the federal minister and some of his staff and they indicated a desire to work with us and harmonize the two plans, which of course we are interested in having happen. I know my ministry people have been in touch with the federal authorities in terms of their plan. One of the difficulties we have at the moment is that while they announced the federal plan, my understanding is that it has not gone through the House or been sent out to a committee even for hearings. I could be wrong on that and I will concede to some of my colleagues if they are aware of it. It leaves me in a position of just not knowing when it will go through and what will happen with it. Maybe Naomi has some answers on that.

Ms Alboim: There have been discussions with federal and provincial officials and those discussions are continuing. The bill will remain on the order papers federally and there is now some indication that there will be further discussion over the summer months at the federal level.

We are working towards a single process so that workers who are owed their wages will not have to go to two sources and have access to the federal program and the provincial program, but will have access to one. We are quite optimistic that we will be able to harmonize both the investigation process and the payout process so that in Ontario, for example, people will be able to access the

fund through the employment standards branch offices. The investigation will be carried out and funds will be provided and then the federal government will be billed, if you like, for those funds that are payable from their fund.

They will not be covering all the cases that Ontario's legislation will cover, so there will be some individuals who are eligible only for funding through the Ontario program and not through the federal program. But we are optimistic that we will be able to harmonize both programs quite nicely from an administrative perspective.

**Mr Daigeler:** We appreciate that. To be specific, will the \$5,000 coverage from the provincial level be on top of the \$2,000 that is projected from the federal government?

Hon Mr Mackenzie: No. The maximum will be \$5,000, but it is not an additional \$2,000.

Mrs McLeod: In your remarks, Minister, on page 3 you talked about a committee made up of representatives of labour, management and government analysing the impact of layoffs in northern Ontario. You also made reference to the fact that the committee was exploring the feasibility of establishing a union venture capital corporation. Two questions:

One is, is that particular committee looking at the impact of layoffs in Sault Ste Marie? Is it the Sault Ste Marie committee that you are describing, and if not, what is the committee and particularly what management would be involved in it?

Second, on the venture capital corporation, I wonder what the source of funding might be to give you the venture capital as a basis for establishing that kind of corporation.

Hon Mr Mackenzie: I am not sure that I can give you any answers on the venture capital fund. I think Mr Shardlow may be able to help us on the other part.

Mr Shardlow: I am not sure I heard the question properly, but if it is referring to the exploration we have under way now with the United Steelworkers in looking at the possibility of establishing some venture capital for northern Ontario, that is a committee that is established with the United Steelworkers, with the Ministry of Northern Development and Mines and the Ministry of Labour, and the federal Canada Employment and Immigration commission just to explore various ways to look at layoffs in northern Ontario and to see if there are things that can be done to assist workers through such a fund. That is very much in the preliminary stages but it is under way at this time.

Hon Mr Mackenzie: That brings to mind, Mrs McLeod, that it is not just as a result of Sault Ste Marie, although they are very much involved in trying to come up with proposals in the Sault. But the venture capital fund was a broader application in terms of northern Ontario, I think basically because of the number of mine closures they have had in northern Ontario.

Mr Shardlow: It predates the Algoma Steel situation.

Mrs McLeod: But specifically looking at areas related to mining and areas that the steelworkers would be involved in. Mr Shardlow: At this point in time, it is the United Steelworkers who have come with us to explore this, but it will not be specifically for mines. It is hoped at one point that we can expand it to include any kind of industry in northern Ontario.

Mrs McLeod: I guess that would lead to further questions and I was just trying to pursue it. I would be surprised that any committee that was looking at something as generalized as has just been described was based exclusively on representatives of one sector of industry in northern Ontario, so it raises as many concerns perhaps as it answers.

Maybe I can table the question wherein a reference is made to a union venture capital corporation. The issue of venture capital is a very important issue for restructuring of industry for diversification. A union venture capital corporation is certainly new for me and it implies the existence of a source of funds. I suppose it naïvely raises the question of whether or not it is a pension fund establishment for venture capital or just how that might work.

Hon Mr Mackenzie: The only thing in addition that I can tell you is that, as I mentioned earlier, there are discussions going on in terms of investment capital on a broader scale right across Ontario that the Premier's office has initiated. A number of unions are concerned when we talk about the need for some involvement. In fairness and equity, in terms of workers, a number of unions are exploring possibilities of investment capital funds. I am not sure even that the steelworkers, which was my own union, are leading the pack in this area, but I do know they are actively involved in trying to come up with some suggestion.

I am relatively certain they will welcome any way they can tie in anything that is done on a broader basis. But I think it is a desperation move and a recognition, in terms of some of the closures and some of the potential worker buyouts, that there has to be an investment fund they can turn to. It is an issue that is coming from more than just the steelworkers in terms of the labour movement.

Mrs McLeod: I will be interested in more details in the future. Whether it is venture capital exclusively accessible to the unions, for example, would be one of the questions I would have when it is described the way it is in the remarks.

Mr Offer: I have two short questions. One refers way back to the parental leave announcement. We will all recognize that we were all very much in support of that, but we did need the federal government to get its regulations in gear to synchronize this matter.

You say in your statement that there have been something in the vicinity of 95,000 or 97,000 inquiries. Have you any information on how many people are actually taking up the parental leave and whether there is the necessity to advertise not only the availability of this but also in a more proactive way the beneficial impact of actually taking it up?

Mr Thomson: We do not have any good figures on how many people are taking up the parental leave. I think the best information probably would come from the federal government, because the vast majority of the people taking it are people who also have access to the unemployment insurance benefits that are payable during the time they are on leave. There may be information obtainable there, but it obviously would not cover everybody. For example, it would not cover people who have private plans tied to the workplace.

We did a fair amount of advertising around January and February about the existence of the new regulations in the Employment Standards Act and it generated an enormous amount of business. That has not fallen off all that much. This is an area where people regularly want to know what their rights are and employers need to know what their obligations are.

We just released a book called Working in Ontario, which is a summary of all the labour laws in Ontario in easily understood language and printed in a number of different languages. That, I think, is getting the information out much more broadly and is part of the reason there are so many calls coming in to us for further information about the program. At this point we do not have any plans to do a further program or advertising or publication or publicizing of the program, but we could look at that.

Hon Mr Mackenzie: I can tell you that I have been both impressed and amazed at the number of people who have called in on it. I certainly was not expecting the kind of numbers that called. It certainly would indicate that there is fairly widespread knowledge that there is something in place, but I doubt we have the uptake on that.

Mr Offer: As a final question, we are certainly close to some changes in terms of the Labour Relations Act in terms of the Employment Standards Act. There is always this type of balance that people play, on the one hand labour and on the other hand management. I am not talking about that. What I am talking about, from your perspective as the Minister of Labour, is not the balance of management on the one hand and labour on the other, but the balance of labour on the one hand and unionized labour on the other. I am wondering if you might share with us your viewpoint as to whether you believe the rights, responsibilities and protections for workers in this province are better advanced or enhanced through the collective bargaining process.

Hon Mr Mackenzie: I have no difficulty in answering that, Mr Offer. In my opinion, and it shows in most of the programs that are in place, there is more takeup and more knowledge on the part of the workers where they have an organized workforce. I think the benefits are relatively obvious in spite of some of the surveys I have seen recently. I guess my most common answer to that is that in my short life I have worked in both union and non-union, and in my opinion union has always been much better.

Mr Carr: A short question, and it goes along the same lines. Some of the proposals that will be coming up are going to make it easier to unionize, and I was wondering if you had any idea of—I guess currently 31% of the workers are now unionized—where you see that going to and if you have set any goals in favour of unions, whether you said, "By the end of my mandate, I would-like to see that 45% or 50% or"—

26 JUNE 1991

E-383 Hon Mr Mackenzie: No, because we do not do the

organizing. We set the framework for it obviously, and the unions in the province are going to have to get out and do their work in terms of convincing the workers that they can represent them and assist them to bargain more equity and fairness in the workplace.

Mr Carr: But making it easier, you have not said as a result of that, "We think it will probably go up"? You have not done any studies like that?

Hon Mr Mackenzie: I think it would be to the benefit of the province if it did happen, because if we are going to work out a partnership, it is going to be on the basis that there is some comfort, that there is some say and some ability to participate in the decisions. I think that is enhanced with an organized workforce in the province, so it would certainly be my hope. But we do not have the responsibility for doing the actual organizing, and therefore I have not tried to set any targets. What I would like to see in place is legislation that certainly assists workers if they decide to take the organized route. If that happens, then the job, as I say, is up to the unions.

Mr Carr: But with your background, knowing some of the proposals that were put in, do you see a dramatic increase, or would it be something slow and gradual over a number of years? Did you have any thoughts on that? You might not even have thought about it. But I just wondered if you see, as a result of this legislation, all of a sudden, a dramatic-

Hon Mr Mackenzie: My guess—and it would only be a guess—is that what you will see is a slow and steady progression rather than maybe even a backing-off that has been the case over the last two or three years.

Mr Carr: Thank you.

The Chair: Thank you, Mr Carr. Thank you very much, Minister. If I may, on behalf of all members of the committee, we would like to thank staff of your ministry. It is not always easy to be the first ones to be notified. There are usually two or three weeks' notice, but we appreciate their attendance as well.

I wish to inform the committee that we have yet three hours and 15 minutes to complete the estimates of the Ministry of Labour, that the anticipated return date at this time will be 24 September and 25 September.

Mrs McLeod: Hold those thoughts.

The Chair: Yes, hold those thoughts. Well put. However, we have asked the government House leader for a series of options for us to meet at least one week-potentially three weeks-but at least one week. I wish to inform the committee that if we fail to meet through the summer, we will be lucky to complete five ministries out of the total complement this year. When I did the mathematics on this, it would appear that we would have only done the estimates of \$3 billion of the \$52-billion budget.

So this is a matter of concern, and I have underscored that concern and shared it with the government House leader on behalf of this committee. Certainly it was the committee's interest in meeting to ensure that we at least got better than 50% of our estimates done, or at least had a reasonable chance of completing the estimates. But if we are unable to convince the House leaders for us to meet in part, then I am afraid we will have only completed just under \$3 billion of a \$53-billion budget.

If there are no questions or comments—I think I have clarified all the points for the committee.

Mr Perruzza: Mr Chairman, I thought we decided at our last committee meeting that we would not be meeting during the summer. I am of the view that we should not be meeting during the summer and that we should be-

The Chair: Okay, this committee sent a letter yesterday to Miss Martel and the House leaders of the other parties, advising them of the subcommittee's report and our committee's recommendation that we need some additional time. In my letter to the House leader, I indicated that we would be willing to work a full, five-day week in which we could complete four ministries. We did this last year, as you will recall, so we know it is possible. We can do it, but it would assist us in at least getting better than 50% of our estimates done. Otherwise, we will again be in a position where we are not accounting for the expenditures here at Queen's Park.

The committee adjourned at 1755.

#### CONTENTS

### Wednesday 26 June 1991

Ministry of Labour	 		 			 	 	 				 			 ٠					E-36	55
Adjournment	 		 	٠			 					 		 ٠	 ٠					E-38	33

#### STANDING COMMITTEE ON ESTIMATES

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Substitution: Offer, Steven (Mississauga North L) for Mr McGuinty

Clerk: Carrozza, Franco

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STALMERS COMMITTED ON ESTIMATES

CONTENTS

Wednesday 25 June 1993

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